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JPRS-JAR-85-023

13 November 1985

# Japan Report

**DISTRIBUTION STATEMENT A**  
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19990820 095

DTIC QUALITY INSPECTED 3



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13 November 1985

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POLITICAL AND SOCIOLOGICAL

LDP'S NIKAIIDO TO VISIT U.S. TO EASE TRADE PROBLEMS

OW281235 Tokyo KYODO in English 1215 GMT 28 Aug 85

[Text] Tokyo, 28 Aug (KYODO)--Susumu Nikaido, vice president of the ruling Liberal-Democratic Party (LDP), will visit the United States in late September to seek U.S. understanding of Japan's efforts to open its market wider to foreign imports. This was decided when Nikaido and Prime Minister Yasuhiro Nakasone, who is LDP president, discussed Japan-U.S. trade friction Wednesday afternoon, government officials said.

Nakasone has asked to see Nikaido and requested him to make the visit to the United States, the officials said. The premier suggested that Nikaido, accompanied by up to 10 selected party members, visit the U.S. between 20 and 30 September, the officials said. Nakasone asked Nikaido to listen to U.S. views on the trade friction.

In response, Nikaido said Japan-U.S. relations are now in their most serious crisis in the postwar period. He said he would meet as many U.S. congressmen as possible.

Japan's trade surplus with the U.S. is expected to reach more than \$50 billion this year and U.S. Senate majority leader Bob Dole warned of increasing protectionist calls in the U.S. during his Japan visit earlier this month.

The U.S. Congress is expected to enter a crucial stage in its deliberation of bills for retaliation against Japan from late September to October.

After the meeting with Nakasone, Nikaido said he would propose to the Americans the formation of regular consultation channels with both main U.S. political parties. Nikaido also conferred with Masayuki Fujio, chairman of the LDP Policy Affairs Research Council, and other party leaders and decided to dispatch two LDP dietmen to the U.S. in preparation for Nikaido's U.S. tour, party sources said. The two dietmen--Yoshiro Hayashi and Motoo Shiina, both in the lower house--will visit the U.S. separately.

CSO: 4100/1001

POLITICAL AND SOCIOLOGICAL

PUBLIC RELATIONS OUTLETS IN U.S. TO BE UNIFIED

OW031305 Tokyo KYODO in English 1205 GMT 3 Sep 85

[Text] Tokyo, Sep 3 KYODO -- Two Japanese publicity bodies which have been the subjects of a feud over ministerial authority will unify their television information services in the United States. The Japan Center for Information and Cultural Affairs, supported by the Foreign Ministry, and Telejapan International Co., backed by the Ministry of International Trade and Industry (MITI), said Tuesday reconciliation had been achieved.

In January 1983, against a backdrop of Japan-U.S. friction over automobile trade, the center inaugurated an information service in the U.S. using cable television to introduce Japanese news and programs on social life in Japan. Telejapan followed one month afterward. The ministries as well as the publicity bodies had been at odds for three years over the overseas public relations activities.

The two sides came to terms in negotiations under way since early this year at the request of business circles contributing money to the information bodies. Henceforth, the center will collect contributions and Telejapan will prepare programs for the TV information service. They will also form a council including officials of the ministries and major sponsors to adjust the contents of the service.

CSO: 4100/1004

POLITICAL AND SOCIOLOGICAL

GOTODA'S SECRET MOVE FOR NAKASONE'S THIRD TERM

Tokyo ZAIKAI in Japanese 20 Aug 85 pp 94-97

[Article by Ichiro Nagata]

[Text] There has been a great deal of activity within the LDP in response to the issue of the extension of Prime Minister Nakasone's term and his reelection to a third term, an issue which is the focus of attention in the Japanese political situation. Part of all this activity is Gotoda's unusual secret move for Nakasone's third term.

Prime Minister Nakasone's term as LDP president will expire on 30 October of next year, but there has been a great deal of activity in response to the possibility of the extension of his term and reelection to a third term.

This time, the "instigator" is Finance Minister Takeshita.

It would be understandable if Takeshita, who has his sights on the post-Nakasone era, had said, "Prime Minister Nakasone should retire when he completes his term," but he has said no such thing.

In an interview with the news agencies on 9 September, Takeshita said, "If that is the consensus within the party (to revise the party rules to allow a third term and extension of term of office), then so be it. Nakasone himself hasn't spoken out on it, but the results of public opinion polls are good, he is carrying out a type of politics which is easily understood, and he's getting results." Thus, Takeshita revealed a flexible attitude toward the extension of Nakasone's term and election for a third term.

Takeshita considers Nakasone's policies "easily understood by the people." Furthermore, Takeshita has praised Nakasone, saying, "Even among young politicians, there are quite a few who have felt a certain type of pressure. There is no comparison, even with former Prime Minister Sato."

Comparing Nakasone to the new leadership, which includes himself, Takeshita says, "We do not have sufficient strength. If you wear a black belt in Judo, you have to have certain qualifications, but the members of the new leadership must first attain at least a green belt. However, it would be presumptuous to try to line up such ability right away," acknowledging the lack of strength among the new leadership.

The one who is pushing for the extension of Nakasone's term and election to a third term is Gotoda, Director General of the Prime Minister's Office, and member of the Tanaka faction along with Takeshita.

On 11 July, the day before Nakasone's departure for Europe, Gotoda met with members of the Tanaka faction who have been reelected 3 or 4 times.

On that occasion, Gotoda said, "It's hard to say what will happen in the future, but the extension of Nakasone's term is a possibility," giving his as reason the fact that, "We haven't cultivated the new leadership."

There probably couldn't have been a better farewell present for Nakasone on the eve of his flight.

However, there was an unthinkable event at the time of Nakasone's departure for Europe.

Just before departure of the special Japan Airlines flight with Nakasone and his party on board, an oil leak developed in the seam of the oil feed pipe leading from the fuel tank to the second engine, and take-off was delayed 83 minutes.

That was the first time that there had ever been a malfunction in an airplane on the departure of a prime minister on a foreign trip. Occurring at the same time that the Japanese monthly news magazines were publishing special issues on the problems in the structure of Japan Airlines, this incident was indeed bad timing for JAL, and JAL president Takagi himself was on the scene to personally supervise the repair operation.

Meanwhile, Nakasone was waiting inside the aircraft, and thus, Nakasone was in the awkward situation that he had to repeat the farewell ceremony twice. That was also unprecedented.

Let us return to the original topic of discussion.

On 12 July, the day after Gotoda's statement, Labor Minister Yamaguchi of the New Liberal Club was asked to comment on Gotoda's statement after a cabinet meeting. He agreed, saying, "Such a thing is possible."

However, on the same day, Secretary-General Kanemaru made a statement which put a damper on discussion of the issue of extension of Nakasone's term and reelection to a third term. Kanemaru said, "Nakasone has entered his second term, and it is possible to change the LDP rules and extend his term. However, there are certain ways of doing things within the party, and there is a difference between the party members earnestly asking Nakasone to do it, and Nakasone himself wanting to do it. Since I would like to do it myself, I can't ask for it. Don't you think that an appropriate time to surrender the castle would be after the Tokyo Summit next year?"

Kanemaru is hoping to take over from Nakasone when his term is up after the Tokyo summit.

Nakasone was told of Kanemaru's statement just before boarding his special plane for Europe.

All this happened just as the summer began, and fanned the flames of the issue of Nakasone's term, which will be the focus of attention for the next year and several months.

However, this is not the first time that this issue has come up. In May, when the issue first came up, it was Kanemaru who brought it up.

When Kanemaru was having dinner with former Prime Minister Kishi on 17 May, Kanemaru expressed his opposition to Nakasone's election to a third term, saying, "When his term is up, Nakasone should of course quit." On 22 July, one week later, in a speech at Akita City, Kanemaru emphasized, "According to the party rules, the upper limit for the term of party president is 4 years, and next year is the end of the term. According to the rules, it is not possible to serve longer than that. If Prime Minister Nakasone wants to run again, he should stay out for one term, and then try again."

Considering the situation, Kanemaru's statement is consistent with the course of events, which have developed along the lines of Kanemaru's own ideas.

For Kanemaru, who has the role of guarding the new leadership, which includes Finance Minister Takeshita, and is promoting a change in generations, the extension of Nakasone's term and reelection to a third term must be prevented. To that extent, it is easy to understand Kanemaru's position.

In response to Kanemaru's statement, there is the general opinion that, "If Gotoda's statement is not dealt with, the extension of Nakasone's term and election to a third term will become firmly fixed within the party, and so we have rejected it."

However, the discussion up to now has been public. In politics, there is always something going on behind the scenes.

Nakasone himself has said nothing about the issue of the extension of his term of office. It may be that he will be satisfied to leave office when his term is up, if he will have succeeded in reforming the Japan National Railways, which would mean he had one accomplishment for each of his cabinets.

However, although Gotoda did not mention it, Nakasone himself is the one who is most troubled by the lack of power of the new leaders who are seeking to succeed him.

According to one dietman who is a member of the Nakasone faction, "Nakasone would be interested in an extension of two or three years."

Deep within the political world, there is the theory that Nakasone himself had provoked the series of statements which started with Takeshita's.



On the evening of 28 June, Nakasone met with Hideaki Yamashita, vice-president of Mitsui & Co Ltd, and Kunio Fukumoto, president of Fuji Art Galleries, at a Ginza restaurant.

According to others who were present, it was there that the question of Nakasone's term came up. According to sources in political circles, the matter can be traced to this meeting.

Nakasone cannot himself bring up the subject of his term. So who is it that flies the "ad balloon" instead of Nakasone?

It was thought that Kanemaru would be the one to play that role, since he had come out with statements such as "I am of one mind with the prime minister," "I'll risk my life for this man," and even, "When the prime minister quits, I'll also give up being a politician." However, actually, the role went to Takeshita. It is generally accepted that Nakasone and Takeshita have spoken with each other about this matter.

According to political sources, Gotoda, who is the closest to Nakasone in the cabinet, is "following this in great haste."

It is also said that since the debate about the extension of Nakasone's term and his reelection to a third term will bring about opposition if it is discussed further at this stage, the Kanemaru statement was intended to balance things, and put a damper on the debate.

Nakasone, who has written the scenario himself, probably cannot stop laughing.

On the other hand, there are opinions on the side of Takeshita, Gotoda, and Kanemaru, who have been busily involved in the Nakasone strategy.

At any rate, this is a problem for one year and three months in the future, but the problem for the immediate future is the reorganization of the cabinet this coming autumn. That has to do with party personnel.

On 4 July, Kanemaru had a face-to-face talk with Prime Minister Nakasone at his official residence. The topic of discussion was what had happened since their talk on 26 April, before the Bonn Summit. It is not certain what they discussed during their meeting of 2 hours and 30 minutes, but when he left the prime minister's official residence, Kanemaru was intoxicated, and said cheerfully, "It was good sake."

At the time of the meeting of 26 April, there was the opinion that Nakasone had agreed to keep Kanemaru as Secretary-General, and this time again, the same opinion was even more wide-spread.

From early on in circles close to Nakasone, there was the theory that at the next change in personnel, Gotoda would again be chief cabinet secretary.

At the beginning of his administration, Nakasone appointed Gotoda, who is from the Tanaka faction, rather than the Nakasone faction, as Chief Cabinet Secretary.

Gotoda, Kakuei Tanaka's "dagger," has the backing of the Tanaka group, and a great deal of influence, having risen in the police bureaucracy, is a man of many talents, and is called "Gotoda the Razor." With all these things put together, Gotoda has successfully met expectations as chief of the cabinet.

He has been called the most important chief cabinet secretary since Chief Cabinet Secretary Hori of the Sato Cabinet. It is said that, "As far as chief cabinet secretaries are concerned, Gotoda is the alpha and the omega of the cabinet." This was heard early on from Nakasone's circle.

In addition to the chief cabinet secretary theory, there is also the theory that Gotoda would be retained as director-general of the prime minister's office to oversee progress in the "Nakasone administrative reform."

In any case, there is no doubt that Nakasone has bought Gotoda's abilities at a high price, and will employ him as his right-hand man.

With Kakuei Tanaka sick in bed, and the Tanaka faction split into the Soseikai and non-Soseikai branches, Gotoda has a delicate position within the faction. Gotoda is negative toward a Nikaido administration. At the time of the drama surrounding the backing of Nikaido, together with Kanemaru, he was on the side which persuaded Nikaido to pull out.

Gotoda recognized Takeshita's candidacy for presidency of the Tanaka faction, saying, "In any case, a Takeshita administration."

However, the present dissatisfaction with Takeshita, and the fact that "there is a gap between Nakasone and the new leaders" cannot simply be ignored.

He has advocated reconciliation, saying, "The Tanaka faction should not be split," and instead of placing Takeshita in a post appropriate for a member of the Tanaka faction (acting chairman), he has tried to dissolve the Soseikai, but there has been no consent on the part of the Soseikai.

In response to his continued importance in the cabinet although he has been elected only a few times, there is strong feeling within the Soseikai that "He occupies only places in the sun."

Since his position within the Tanaka faction is delicate, Gotoda is drawing all the closer to Nakasone.

A long time ago, Gotoda said of Nakasone, "An old jalopy. When he starts to be troublesome, you can junk him any time." Now he says, "Do you think we're going to dismantle a cabinet with such strong public support just because of some argument from Nagatacho?"

Actually, Gotoda is not only flying an "ad balloon," but has secretly started a move for Nakasone's third term.

On 28 June, Gotoda visited Nikaido's apartment in Shinjuku and met with him for one hour and a half.

After that, he met successively with Kanemaru, Miyazawa, Fujio, three important party figures, and met with Hajime Tamura of the Tanaka faction on 8 July.

When asked about the subject of the talks, he was only able to repeat the formulaic reply, "A discussion of the activation of private vitality."

However, what is the significance of the fact that he had a discussion with Tamura, Chairman of the Research Commission on Basic Party Problems and Management? At the time of the formation of the Soseikai, Tamura, a leading member of the Tanaka faction, showed a lot of scorn for Kanemaru and Takeshita.

He supported the move to back Nikaido, and added color to the situation within the Tanaka faction by supporting the non-Soseikai-Nikaido group.

It is not strange that Gotoda, in a search for reconciliation measures, would propose talks with Tamura.

However, it appears that the purpose for Gotoda's meeting with Tamura had a different purpose. Gotoda had the following to say: "In order to succeed in reforming both JNR and education, a second ordinary session of the Diet is necessary. I don't think this can be done without Nakasone."

Gotoda wasn't about to say it, but the extension of Nakasone's term is a matter of course.

Tamura is the one who, using the Research Commission on Basic Party Problems and Management as a base, was once responsible for reforming the party president election rules to allow more than 50 nominees for candidacy, and more than 4 candidates in primaries.

In order to make possible an extended term of office and reelection to a third term for Nakasone, it will be necessary to seek Tamura's help. That was Gotoda's purpose for meeting with Tamura.

In August of last year, at a general meeting of the Tanaka faction, Kakuei Tanaka lit the fuse of reform of the present party rule which allows a party president a two-year term, up to reelection, with the remark, "The world average term of office is three years, up to reelection."

In order to change the party rules, a party convention is necessary, with an Assembly of the Members of Both Houses of the Diet, with a majority present.

However, in order to request a calling of an Assembly of the Members of Both Houses of the Diet, two thirds of LDP Dietmen is necessary.

Takeshita has said, "It will be a great deal of trouble to change the party rules."

It is not easy to call together two thirds of the party members to open an

Assembly of the Members of Both Houses of the Diet.

Is there a way to extend Nakasone's term without going through the troublesome process of party rule reform?

Those in Nakasone's circle say hopefully, "Instead of reelection to a third term, if we can extend Prime Minister Nakasone's term by only one year, by emergency measures such as postponing the party president elections by one year, for example, it will not be necessary to change the party rules."

One wonders if such a supremely difficult maneuver is at all possible?

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CSO: 4105/396

JPRS-JAR-85-023  
13 November 1985

# NAKASONE'S CABINET RESHUFFLE PLAN ANALYZED

Tokyo SENTAKU in Japanese Aug 85 pp 46-47

[Text] Nakasone's Fall Reshuffle Plan Solidifies: Two-step Plan To Achieve Third Term

Recently, there were two movements involving Zenko Suzuki concerning the reshuffle of cabinet and LDP officers which will take place in the fall.

One was Suzuki's own concept. The other was action against Suzuki instigated by the non-Soseikai group in the Tanaka faction. The two concepts concerning the reshuffle shared a common "core"; namely, the goal of shaking up the Nakasone-Kanemaru establishment by putting in Abe as party secretary general.

One might find it odd that Suzuki, who pushed to get Miyazawa into this post when the Nakasone cabinet was inaugurated, is seeking to put in Abe as secretary general at this stage. However, Suzuki's shrewdness lies in the way that his actions appear to be odd, at first glance. Suzuki is making approaches to former Prime Minister Fukuda through intermediaries while maintaining secret contact with the anti-Takeshita forces in the Tanaka faction.

## Kanemaru, Abe, Takeshita, Gotoda To Remain

This fall, Abe would like to resign from the post of foreign minister, which he has held for three terms, and either devote himself to the affairs of his faction or aim for the post of party secretary general. This is the desire of Abe's supporters as well. Former Prime Minister Fukuda would not oppose this if it shook up the Nakasone establishment. On the other hand, the anti-Takeshita group, while preaching "solidarity of the Tanaka faction," secretly is plotting Kanemaru's downfall. If they could achieve that, it would be all right if the next secretary general did not come from the Tanaka faction.

It is highly possible that the Komoto faction, because of the past friendship between Komoto and Fukuda, also would accept Abe as secretary general. In other words, although Suzuki really wanted Miyazawa for the post, he judged that it would not be easy to pull down the Kanemaru establishment, so he thought up the idea of supporting Abe as the next best thing. As long as he does not fail to convince the "Kochikai," he can muster the total support of the Fukuda and Abe factions, about half of the Tanaka faction and the Komoto

faction as well. There are signs that he thinks that if he succeeds in dividing Nakasone and Kanemaru for the present, all the rest of his designs will be achievable.

Certainly, Suzuki has said, "All the prime minister has to do is drive safely." He seems to be saying that as long as the prime minister does not try to dissolve the Diet, he will agree to let him retain political power for his full term. This also is due to the fact that "toppling Nakasone" would be difficult because he has not made any major administrative blunders and the rate of support for his cabinet remains high. On his side, Nakasone, whatever his true feelings, has begun to pay attention to Suzuki again. However, Suzuki's real intention is to somehow prevent the Nakasone-Kanemaru group from becoming the next kingmakers. Therefore, given the chance, he will marshal all the anti-Nakasone forces and attempt to put someone else in power. The idea of "Secretary General Abe" is undoubtedly a "jab" made towards realizing that goal.

The non-Soseikai group in the Tanaka faction shares Suzuki's perception of the situation. It is said that (as conceived among) Masumi Esaki, Hajime Tamura and Tokusaburo Kosaka, and presented to Suzuki by Kosaka as his personal proposal, the new fall lineup for the top three officers of the LDP would be Abe for secretary general, Miyazawa for chairman of the Executive Council, and Esaki for chairman of the Policy Research Council.

This is a plan to create a new Tanaka-Suzuki-Fukuda, tri-faction structure wherein the Tanaka faction would take a step backward in the top three positions, but at the same time, the Kanemaru-Takeshita group would be excluded.

However, Nakasone has heard about this movement as well. Naturally, Secretary General Kanemaru also is aware of it. Each perceives the intentions of the other, and they will begin serious bargaining at last.

Nakasone's ideas about the fall reshuffle have already been whispered about in various places. Since the prime minister is extraordinarily close-mouthed about personnel changes and, furthermore, his most powerful confidante, former Prime Minister Tanaka, is not out in public, it is thought that much of this information is false. Nevertheless, it must be assumed that Nakasone's strategy for the reshuffle has made considerable progress under the surface.

Attention should be paid in particular to the fact that Nakasone is formulating his plans with an eye on political conditions after the Tokyo summit in May 1986.

The upshot is that Nakasone will exercise the right to reshuffle cabinet and party officers in two steps, this fall and next summer. The fall changes will be made to achieve his policies, but his political future will be at stake in next year's changes--they will decide whether he will have a third term or step down.

Two focal points in the political scene this fall will be the reshuffling of cabinet and LDP officers and the convening of an extraordinary session of the

Diet--how they will be done and how they will actually evolve. Because they will occur consecutively, or even overlap, Nakasone cannot disregard how each will affect the other. That is, entering into a Diet session immediately after the reshuffle inevitably will cause some uneasiness.

The main attractions of the extraordinary Diet session will be the "decrease by six, increase by six proposal," which is a bill proposed by the LDP for reapportionment of the House of Councilors, and the handling of "mutual aid annuity reform," which has as its goal the starting of a new system in April 1986.

The problem will be with the "6.6 proposal" and the prime minister and Kanemaru will do their utmost to get it approved. That will take 50 to 60 days.

Additionally, it is inevitable that the opposition parties, especially the Komei Party, will insist on having the same format as a regular Diet and will seek to convene the Budget Committee at the beginning of the session. Since it will be impossible for the LDP to refuse, it will be necessary to set aside days for Budget Committee debate. All things considered, the extraordinary Diet will probably run for about 70 days, from mid-October to the last part of December, and be followed immediately by the regular Diet.

In this event, the reshuffling of cabinet and LDP officers must take place in the early or middle part of October.

It is thought that Nakasone does not plan to alter the framework of the cabinet and the party leadership this fall. That is, he will decide without hesitation not to move Foreign Minister Abe, Finance Minister Takeshita and Management and Coordination Agency Director General Gotoda in his cabinet and retain Secretary General Kanemaru in the party. Then, he will come up with assignments to the remaining positions which will enhance his ability to achieve his policies.

Both Abe and Takeshita, after much indecision, are tending to agree to remain in their respective posts. Both have been unable to handle adequately the affairs of their factions because of the grueling schedules they have kept in these posts. Abe has shown signs of "standing apart from Nakasone," such as when he displayed his own independent diplomacy instead of going along with the prime minister on his recent trip to Europe. Takeshita is under pressure from the Soseikai that "enough is enough." However, next year's Tokyo summit will be a wonderful stage for impressing upon the heads of state that they are candidates for succeeding Nakasone. They feel that they cannot pass up such an opportunity.

As for Gotoda, there is work to be done after having received the massive report of the administrative reform committee, and Nakasone himself has said, "No one but Gotoda can do it." Regardless of opposition from the Tanaka faction, Nakasone intends to have this model of "the enterprising cabinet officer" act as a spokesman. It is conceivable that if there is to be a change in the director general of the Management and Coordination Agency, Gotoda will be reinstated as chief cabinet secretary.

### Masayuki Fujio for Minister of Transport?

The post of minister of transport will attract the most attention in terms of policy. Needless to say, this will be the competent minister for Japan National Railroad (JNR) reform. This is of the greatest concern for Nakasone, so he will probably appoint a major personality. From the Nakasone faction, he would appoint either Sosuke Uno or Michio Watanabe, but considering the need for a balance with other factions, it is most likely that he will settle on a powerful person from the Fukuda faction.

One selection which could be made from the lineup of Fukuda faction members who are involved in transportation affairs is Hiroshi Mittsuka, one of the promoters of private management and divestiture. In terms of strength of personality, however, Masayuki Fujio is one step above Mittsuka, although he is not involved in transportation affairs. It is thought that Fujio is the one Nakasone will choose. If something goes wrong with that selection, it is conceivable that Fujio will enter the cabinet as minister of international trade and industry. Consequently, although the top three posts in the party will remain under the Kanemaru establishment, there will be some changes.

It is highly possible that there will be changes in the education minister, who will handle educational reform issue and the chief cabinet secretary, who acts as overall coordinator. However, Nakasone will use posts such as these to prepare for after the Tokyo summit when political changes actually will be made.

After the Tokyo summit, the Diet will be in turmoil over the JNR reform bill. However, it cannot be delayed substantially because of the looming House of Representatives election. If the Diet is dissolved, JNR deliberations would have to start from the beginning again. Losing in the general elections would mean immediate resignation and JNR reform would be transferred into the hands of the next cabinet. For Nakasone, nothing could be more dangerous than double elections.

Nakasone's plan is to avoid dissolution of the Diet and then, after the House of Representatives election, he will gamble his political future on a major reshuffle. Therein exists his hidden plan for a third term. If anything could topple this strategy, it would be if Abe were to be roused to action at an early date.

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CSO: 4105/435



POLITICAL AND SOCIOLOGICAL

PRIME MINISTER'S THIRD TERM STRATEGY ANALYZED

Tokyo SEIKIJJIN in Japanese Jul 85 pp 20-23

[Article by Hisao Imai, political analyst]

[Text] When former Prime Minister Tanaka was still in good health, there was a fixed pattern of policy decisionmaking for the LDP. That pattern was that former Prime Minister Tanaka's will was directly linked to the will of the LDP. That was true not only for policies, but also for issues involving personnel.

The Ohira cabinet, Suzuki cabinet, and the current Nakasone cabinet all came about through Tanaka's authority. There is a great deal of truth to that. Former Prime Minister Tanaka was Japan's "kingmaker."

That same kingmaker is now sick in bed. For that reason, policymaking has come to a standstill, and personnel matters are stalemated. In this sense, former Prime Minister Tanaka's condition is the key to the political situation. There are two points of view concerning his condition. One is the belief in the possibility of a complete recovery; the other abandons all hope of recovery. The former viewpoint is an optimistic one, and is held by a minority. The latter view is the one held by the overwhelming majority.

Setting aside for the moment the question of which of these views is held by Prime Minister Nakasone, the absence of former Prime Minister Tanaka from the political scene is for Prime Minister Nakasone like the disappearance of an eyesore. While Nakasone is worried about Tanaka's illness on the one hand, he is enjoying a great feeling of freedom on the other. His cheerful mood at the present time may be due to this feeling.

However, at the same time, due to the absence of the kingmaker, the fact is that there is a feeling of inconvenience, since decisions that should be made are not being made. The greatest of them all is none other than the issue of Prime Minister Nakasone's reelection to a third term.

If former Prime Minister Tanaka gave his OK for Nakasone's bid for reelection to a third term, it would become a possibility. That could of course happen. In fact, Nakasone was considering a variety of ways of approaching the man of

Mejiro. Just at that point, Tanaka fell ill. It is certain that at that point, Nakasone was stymied.

However, Prime Minister Nakasone is not one to be discouraged by such a turn of events. If Tanaka is out of the picture, other ways must be thought of. As a matter of fact, he is working on it now. If an election for party president is taken at face value, Nakasone could absolutely not be reelected for a third term. No matter what achievements Prime Minister Nakasone attains, and no matter how high the public approval of the Nakasone cabinet, Prime Minister Nakasone will have to say "sayonara" before the election for party president next autumn. The reason is that there is an LDP party rule which prohibits reelection to a third term.

It need not be pointed out that Prime Minister Nakasone has been elected twice as LDP party president, and next autumn his second term will expire. Prime Minister Nakasone is not qualified to run for a third term. Running for a third term would in itself be a violation of party rules.

Accordingly, Prime Minister Nakasone has several options before him for a third term of office. The first one is to change the rules, so that reelection to a third term would be no longer be a violation. In other words, the idea is to revise the party rules with regard to the prohibition of reelection to a third term. However, that is easier said than done. To be reelected for a third time has been a great undertaking since the time of Eisaku Sato. Prime Ministers Tanaka, Miki, Fukuda, Ohira, and Suzuki have all hoped for it, but did not attain it. They all left the position of party president around the second year of their first term with reluctance. Rather, they were unseated. Prime Minister Nakasone had the audacity to be elected to two terms. And now a third term? It does not appear possible that he will escape the grudges of former party presidents.

However, in politics, there are main avenues, and there are back alleys as well. Prime Minister Nakasone will not hesitate to use the back alleys, depending on the circumstances. He knows how to use such methods.

We have spoken of removing the rule prohibiting reelection to a third term, but exceedingly drastic measures are required to accomplish this. These drastic measures involve the dissolution of the Diet. In the LDP, there is no party president who has won in a general election. If Prime Minister Nakasone wins by a landslide in a general election, at that moment, he will be almighty. Taking advantage of the situation, he could get rid of the rule prohibiting reelection to a third term.

Would such a turn of events be tolerated? With this question in mind, prominent figures in all factions of the LDP are drumming up opposition. LDP Secretary-General Kanemaru is at the forefront of this opposition. When Secretary-General Kanemaru speaks, he advocates a change in generations. In addition, he is related to Finance Minister Takeshita, who is behind the Soseikai. From Secretary-General Kanemaru's point of view, there could be no greater trouble than the move for Prime Minister Nakasone's third term. Kanemaru's new undertaking is to ruin any talk of a third term for Nakasone. Prime Minister Nakasone has had a very troublesome chief cabinet secretary.

The fastest way to prevent dissolution of the Diet is to prevent it from opening. The ceremony for dissolution of the Diet involves the speaker of the House of Representatives respectfully reading the Imperial Rescript, and the House responds with three shouts of "banzai!" Thus, it would be best not to open up the stage for such an event. Since there can be no dissolution if there is no Diet, this is the primary safety valve to prevent dissolution of the Diet.

Thus, listening to the side comments of Secretary-General Kanemaru and Prime Minister Nakasone, one does not hear anything at all about dissolution of the Diet, and only a fierce dispute over the necessity for an extraordinary session of the Diet. However, it ought not be overlooked that the undercurrent of heroic tug-of-war between these two men could spread.

Prime Minister Nakasone's second option is to give up trying for a third term, to settle down as an elder statesman of the LDP, and rule as a retired "emperor." This is an interesting option. The election for party president is determined by the number of party members, but nomination by the previous party president has great significance. Who would Nakasone select as his successor? That would almost entirely determine the winner. Finance Minister Takeshita, Foreign Minister Abe, and Executive Council Chairman Miyazawa are now drawing closer to Nakasone. They all wish to be nominated by Nakasone.

Nakasone would become the LDP kingmaker in Tanaka's place. That would not be a bad position for Nakasone. However, it is not as attractive as his present position as prime minister and party president. Prime Minister Nakasone intends to remain in his front-line position. It would not be too late to become kingmaker after completing his third term. Indeed, to be a genuine kingmaker, both in name and reality, would be better. It appears that that is Prime Minister Nakasone's true intention.

The third option is the supremely difficult maneuver of staying in the post of prime minister, and leaving the party rule forbidding a third term just as it is. This would indeed be difficult. It is difficult but not impossible.

However, it would be extremely greedy for him to hold on to both posts of prime minister and party president. Of course, he would have to give up the post of party president. However, to serve as prime minister for three consecutive terms should be enough to satisfy a man's cherished dreams. Prime Minister Nakasone ought to be content.

This option is not as supremely difficult as all that. It involves nothing more than the separation of the positions of prime minister and party president. If the two posts are separated, everything should go well. Next autumn, the election for party president will be held according to schedule. Following the party rules, Nakasone will not be a candidate. The three new leaders will announce themselves as candidates. If necessary, Vice President Nikaido and Komoto, minister without portfolio, will also enter the race. If the five men run, the mixture of old and new leaders would be quite a spectacle.

It would be good if the most suitable man to be party president were selected from among these. However, the prime minister would still be Nakasone. With trade frictions between the United States and Japan becoming increasingly delicate and important, it would be safe to continue to entrust foreign policy to Nakasone, who has a "Ron and Yasu" relationship with President Reagan. There is anxiety about fumbling by a novice prime minister. A foul up in foreign policy alone could be a fatal blow for Japan. If a majority of the party members are in favor of separating the posts of prime minister and party president, that would indeed be one solution to the problem.

However, there is a fatal flaw in this solution. Prime Minister Nakasone himself is against the separation of the two positions. After the previous Prime Minister Suzuki threw out his cabinet, when the highest advisors and three top-ranking officials of the party gathered to discuss measures to deal with the situation, they agreed to settle the matter according to the theory of separation of the posts of prime minister and party president. That would be Nakasone as prime minister and Fukuda as party president. However, the one who rejected the plan was none other than Prime Minister Nakasone himself. Things would be back to where they started, developing in such a way that there would be a new election for party president, and at the primary election level, Nakasone would overwhelm the three candidates Komoto, Abe, and Nakagawa; and without waiting for the main election, Nakasone would be nominated for prime minister and party president.

It would not look at all good if the same man who foiled the separation of the posts of prime minister and party president were now to promote it for his own purposes. Nakasone is a politician who is concerned about appearances above all. For that reason, Nakasone would hesitate to carry out such a plan. However, at the same time, Nakasone is the politician who has been called the "weather vane." If the direction of the wind changes, he is easily willing to cast off one thing for a better one.

In any case, the separation of the posts of prime minister and party president are being held as a last resort, and can be used when the chips are down. There are many resourceful men in the LDP. In times of peril, there is no lack of politically cunning men. This is the strong point of the LDP. Contrary to the expectations of the opposition parties, when it appears that the LDP will split, it does not split apart. This is thanks to those cunning men. If "cunning" is not the appropriate word, then "good sense" will do.

All things considered, since former Prime Minister Tanaka has been enshrined up until now, a certain kind of order has been preserved. Since Tanaka is no longer on the scene, the LDP has reverted to an age of "civil war." During an era of civil war, superiority is determined by true competency. Men of resourcefulness and strength are the winners. Who will be the final winner? The "summer battle formation" will soon begin.

12923  
CSO: 4105/400

JPRS-JAR-85-023  
13 November 1985

POLITICAL AND SOCIOLOGICAL

LDP'S FUND DEPOSITORY 'PEOPLE'S POLITICAL ASSOCIATION'

Tokyo SEIKAI ORAI in Japanese May 85 pp 132-146

[Article by Tomio Yui]

[Text] Probe of LDP's Fund Depository, "People's Political Association," Which Collects 10.5 Billion Yen Annually

As the LDP's sole political fund organization, the People's Political Association [PPA] serves as the money supply pipeline between the party and financial circles. This is a critical inquiry into unknown facts about the "hidden cabinet" which, with top financiers as its directors, has continued to "manipulate" post World War II conservative politics and is said to have laid the underlying cause for the downfall of the Tanaka Cabinet.

LDP's Sole Political Fund Organization

At 1020 hours on 20 February of this year, black-colored domestic automobiles began to draw up, one after another, at the front entrance of the main building of Hotel New Otani in Kioi-cho, Tokyo, in the rain which had continued to fall since the night before.

LDP Secretary General Shin Kanemaru, Assistant Secretary General Michio Watanabe, Finance Committee Chairman Ken Harada and Financial Accounts Bureau Director Yukihiro Ikeda proceeded through the entrance hall to the "Maple Room" on the first floor.

At the entrance was a sign, "People's Political Association, a Foundation." Over 40 persons were already seated at tables arranged in an oblong pattern with roses in the center.

After lightly shaking hands with PPA President Shigeo Matsumoto, who was next to him, Shin Kanemaru was the last to take his seat.

"We shall start the 120th directors' meeting. First, we would like to have a few words from our guests, the party executives."

Prodded by the person acting as chairman, Shin Kanemaru stood up.

"We appreciate the extraordinary support that the PPA is giving to our LDP. At this Diet session, we are deliberating seriously on financial matters, tax systems, etc., and we are striving to pass the budget proposal and send it to the upper house on 5 March. The ethics problem has risen in every Diet session but how should we handle this situation where the majority party is being checked by the problem? I think that it is a deplorable matter."

Next, with his usual Tochigi prefectural dialect, Michio Watanabe began to speak.

"As for financial reconstruction, education reforms, etc., there is agreement on the general substance but there are many opposing views on the particulars and the proposals are not proceeding smoothly. As for finances, interest payments on national bonds are increasing yearly and though understood, difficult problems arise when it comes to specific issues. The LDP cannot afford the time, at present, to engage in intraparty struggles."

After Finance Committee Chairman Ken Harada also made a short address, Financial Accounts Bureau Director Yukihiro Ikeda spoke last.

"To be honest, party finances are in difficult straits even with your support. With increased operational expenses, such as for municipal assembly elections, we are forced into deficit financing again this year. Since we have to find some means to augment revenues, we ask for your increased cooperation. Even more important, reappraisal of the political funds regulation laws is absolutely necessary to put party finances on a sound footing. Together with your financial support, we ask for your cooperation in reevaluating the regulatory laws.

The main agenda item of this PPA directors' meeting was the approval of FY84 statement of accounts and FY85 operational plans.

According to the FY84 (January-December) settlement report, the sum collected by the PPA was 10,530,109,274 yen. Of the amount, after excluding personnel and office expenses of the association, 9,340,647,090 yen were passed to the LDP as political contributions.

In July 1975, the Miki Cabinet conducted wide ranging revisions of the political funds regulation law (described later). Article 6-2 of the revised law states that, "The respective political parties can each designate one organization as its political fund association," and since January 1976, when it was so designated, the PPA has continued as the sole political fund depository of the LDP.

In other words, the PPA collects corporate contributions from financial circles and passes the money to the party as political funds. Of course, money collected not only from companies but from individuals as membership fees is handled but the sum is not even 5 percent of the total funds.

Putting aside the political funds of individual politicians, it can be said that 60 to 70 percent of the funds flowing into the LDP coffers are money that passed through the PPA. From the funds, the party's operational expenditures, such as personnel expenses, as well as public election

certification fees, money to prop up important election districts and public relations costs are paid.

Under present political funds regulation law, the PPA must be included in discussions concerning the LDP while the *raison d'être* of the PPA is the LDP. It can be said that the PPA is the "motor pump" at the relay station of the big funding pipeline between the financial circle and the LDP.

At the PPA directors' meeting, held four or five times yearly for approval of the statement of accounts and budgets, rotation of directors, etc., the secretary general, Finance Committee chairman and Financial Accounts Bureau chief from the LDP always attend and the scenario, described in this article's introduction, can be seen.

#### Many Financial Leaders in Line-up

Presently, the PPA is located at 2-chome, Hirakawa-cho, Chiyoda-ku, fronting Aoyama-dori, and a stone's throw away from the LDP headquarters. It occupies the 6th and 7th floors of the Shokokusha Building.

The president is Shigeo Matsumoto (born in 1908). After serving as Bank of Japan's New York resident councillor and Nagoya Branch chief, he became a director of the Bank of Japan and vice president of the Federation of Bankers' Associations of Japan in 1960 and since 1979, he has been serving as a consultant for the Nippon Shinpan Co. He became the PPA president in 1982.

The secretary general is Shohei Takai (born in 1909). Prior to World War II, he performed investigative duties for the Manchuria heavy industry development agency and after World War II, he served as the relief assistance division chief of the Manchuria-Mongolia Japanese relief assistance association and the managing director of the Japan Oilseed Processors' Association.

In addition to the headquarters in Hirakawa-cho, the association has branches in various prefectures throughout the country and its officers consist of directors, auditors and councillors.

According to the pamphlet published by the association--

**Directors:** Representatives from the headquarters and branches will be selected as directors to form the Board of Directors which will deliberate upon the execution of important functions. The chiefs of various branches will be included as directors.

**Councillors:** Local leaders, selected by the headquarters and branches, will form a Council which will deliberate upon revisions of donation procedures, reelections of directors and auditors, and other important matters.

In the certified copy of the register of the juridical person, "People's Political Association," the list of directors is a galaxy of prominent financial leaders.

Among them are: Yoshihiro Inayama, president of the Federation of Economic Organizations [FEO]; Noboru Goto, president of the Japan Chamber of Commerce

and Industry; Rokuro Ishikawa, president of the Japan Civil Engineering Contractors' Association; Hideichi Sasaki, vice president of the Tokyo Chamber of Commerce and Industry; Susumu Furukawa, president of the Osaka Chamber of Commerce and Industry; Yasuhiro Yagi, president of Kawasaki Steel Corp; Yotaro Ito, president of Matsuzakaya Co; Kazuma Tateishi, president of Tateishi Electric Co; Tomiji Yamazaki, president of Yamatane Securities; Hiromu Morishita, president of Nippon Shinyaku Co; Isamu Saeki, president of Kinki Nippon Railway Co; and Nobuyoshi Nozaki, president of Howa Machinery, Ltd.

Among the branch chiefs of the various prefectures are Diet men, who are serving concurrently, and are listed as directors. There is Masataka Seko, former minister of justice, who is chief of Wakayama prefectural branch. Kakuzo Kawamoto served for many years as the Shiga prefectural branch chief but resigned because he was appointed a minister in last fall's cabinet reorganization. At present, there are 71 directors.

The three auditors are: Hisakichi Maeda, president of Tokyo Tower; Rikuzo Koto, former director of the FEO; and Hachiro Amano, who is also the association's accounting division chief.

There are 180 councillors representing the various prefectural branches and from the headquarters, there are representatives such as upper house Diet member, Aiko Anzai, and Soshitsu Sen of Ura Senke tea ceremony school.

Established as a "Fuel" Supply Organ

The juridical person was established on 30 June 1961.

Under "objectives," it is stated that: (The association will aim to raise the political consciousness of the people and by developing an orderly and vigorous free society and establishing a sound parliamentary democracy, contribute to the improvement of the people's lives.

To attain the objectives, the following tasks will be performed:

1. Conduct research studies of domestic and foreign politics.
2. Present views and provide financial assistance to political parties that aim to develop an orderly and vigorous free society and establish a sound parliamentary democracy.
3. Carry out liaison and cooperative activities with various democratic organizations of the world.
4. Sponsor study sessions, lectures and other meetings.
5. Undertake publicity through publication of association bulletins and other printed materials, use of broadcasting facilities, etc.)

The objectives and designation were changed on 26 April 1975. Until then, it was called the "People's Association, a Foundation." The change of objectives was not too significant and was merely a slight change in phraseology. On



procuring the closed officers' rosters, 10 lists were found indicating that there were numerous changes of officers in 1975 when the association's name was changed.

While gathering materials for this article, I met a certain senior Diet member of the LDP.

"At present, the PPA is simply regarded as an organ that is the political fund depository of the LDP but the course of developments that led to the change of name and the relationships between the financial circles and the LDP in the late 1950's and early 1960's when the association was established reveal an important facet of post-World War II political or politico-financial history of Japan. For a democracy, parliamentary system and party politics are like the two wheels of a vehicle. To move the wheels, i.e., to conduct political activities, "Fuel" called "political funds" is necessary. Even if costs are held down, elections, campaigns and publications cannot be carried out without money. However, since political parties are not organizations which pursue profits, they cannot generate funds. If political funds dry up, party politics come to a halt and parliamentary democracy would collapse."

#### Expectations for Formation of LDP Supporters' Club

Around 1961, when the People's Association was formed, was the period of the second Hayato Ikeda Cabinet, and under the "People's Income-Doubling Plan," the actual growth rate of the national income, over the previous year, continued at a high two-digit figure practically each year and it was truly the start of an age of economic prosperity.

There is a publication called, "Ten Years' Progress of the People's Association" (published by the People's Association, 1972). In it is a prospectus.

(Modernization of political parties--the supporting hand is the "People's Association".)

It is so stated at the beginning. The objectives can be summarized into the following three points:

1. To become a modern political party, the party must, first of all, build up a broad-based organization which covers the different strata of the national populace.
2. Party funds will be obtained through membership fees of the organization, i.e., through voluntary contributions.
3. In order to do this, the supporting people's side and the political party must mutually understand and love freedom and democratic politics and establish close working relationships.

Simultaneously, "the association's four operational objectives" were established and the course of activities was determined.

(The conservative party will become the true people's political party.)

(Righteous views and thoughts about politics will be spread among the people.)

(People's voices will be directly reflected in politics.)

(Honest funds will be collected widely and politics will be cleaned up.)

(When these four objectives are realized, the situation will be created whereby "expenses will be borne by the hands of supporters," which will greatly help in eradicating factionalism, and just and open elections can be held and clean politics can be practiced.) (From the "Ten Years' Progress of the People's Association.")

The founders' general meeting was held on 15 June at the Akasaka Prince Hotel and Chuzo Iwata, who was formerly an Imperial nominee to the House of Peers and Minister of Justice in the Prince Higashikuni Cabinet, was chosen as the president.

Among the directors were: Kogoro Uemura, president of the FEO; Tadashi Adachi, president of the Japan Chamber of Commerce and Industry; Tatsuzo Shiozawa, president of the General Federation of Small and Medium Enterprise Associations; Katsusai Kono, president of the Association of Private Universities of Japan; and Saiji Hasegawa, president of JIJI Press Agency. Also, there were the writers, Sohachi Yamaoka and Hidemi Kon, as well as prominent figures, such as Yoshizane Iwasa, Ataru Kobayashi, Takeshi Sakurada, Masaichi Nagata and Toshiichi Ezaki. (Later, Shigejiro Furuta, president of Nihon University, was selected.)

Since LDP President Hayato Ikeda made the congratulatory speech at the inaugural ceremony, I want to quote him.

"During the recent trip to the United States, I was criticized that 'although the LDP is traditionally strong in elections and holds the majority of Diet seats, isn't the party actually isolated from the people?' In response, I stated that 'In Japan today, an organization that is unique in the world called the People's Association, a foundation formed by people from different strata of society, is being formed. When I return (to Japan), a fine organization will have been formed and we shall not only win majorities in elections but we shall daily strengthen our ties with the great majority of the people and build a superb modern political party.'"

Just from this congratulatory message, it can be discerned that Ikeda had great hopes for the People's Association not simply as the source of political funds but as a dynamic people's organization to serve as a supporters' club for the LDP.

The hope is also symbolized in the words of Aiko Anzai, who attended the opening ceremony as a councillor and who later became an LDP upper house Diet member.

"Let us, in the People's Association, compose a theme song to sing together and make this our organization."

During the year before the inauguration, amidst the people's uproar over the 1960 Security Treaty struggles, Nobusuke Kishi was forced to use the expression, "the soundless voice of the people." That was not all. The LDP, with a stable majority, was forced to witness the sight of protest activities by the Japan Council Against A- and H-bombs, the sing-song antidemonstrations and the wide-scale mass movements of the reformist parties. It was the time when the LDP needed a huge cooperative organization possessing wide ties with the masses.

#### Unification After the Bitter Experience of the Great Scandal

When it started, the headquarters of the People's Association was located in Sabo Hall, Hirakawa-cho. At the time, the LDP headquarters was located there and the association started by renting space in the building.

Before going into the association's activities following its inauguration, the course of developments which led to the birth of the People's Association must be taken up. The People's Association was formed in 1961 but it is necessary to trace the two headstreams of its origin.

One is the Economic Reconstruction Council which was established in 1955 as the financial circle's political fund procurement organ and the other is the National Federation for Freedom (not the present National Council for Freedom), which was established in 1959 as a national membership organization to support the LDP.

A schematic chart can be drawn to show that the People's Association, which was the forerunner of the PPA, was formed to combine the roles of the Economic Reconstruction Council as a donation pool and that of the National Federation for Freedom as a people's organization.

The Economic Reconstruction Council was formed in January 1955, before the conservative parties merged or about the time when Shigeru Yoshida's Liberal Party cabinet passed to Ichiro Hatoyama's Democratic Party cabinet.

In January of the previous year (1954), the special investigation section of the Tokyo District Public Prosecutors' Office conducted a forcible search of the Yamashita Steamship and Nihon Kaiun companies.

It was the start of the exposure of the shipbuilding scandal. This incident began with the legal complaint of Masamitsu Moriwaki and developed into an unprecedented scandal that the shipping and shipbuilding companies, which grew rapidly during the post World War II shipping boom, had passed money to LDP leaders.

In the shipbuilding scandal investigation, 1,009 persons from political and financial circles were questioned and 105 persons were arrested. Among those arrested were five Diet members, including Jiro Arita, who had been the assistant secretary general of the LDP, and Toshio Doko, who was then the vice president of the Shipbuilding Industry Association.

The Public Prosecutors' Office had even issued an arrest warrant for the then LDP Secretary General Eisaku Sato.

Prosecutor Kawai, who had personally investigated Eisaku Sato, later wrote as follows in the book called, "Prosecutor's Reader."

(When a shipping company representative went to secretary general "S" with a request, he replied, "Alright, the LDP shall draft such a bill (interest subsidy law). However, bring 20 million yen." Since there was no 10,000-yen bill at the time, the representative stuffed 1,000-yen notes in a trunk and handed it to secretary general "S," who replied, "Fine, we'll do it.")

Of course, "S" is Eisaku Sato.

However, the Yoshida Cabinet made Justice Minister Ken Inukai exercise his prerogative and prevented the arrest of Sato. At this time, Sato had been charged with violation of the political funds regulation law but was acquitted through special amnesty stemming from United Nations membership in December 1956.

Kogoru Uemura, who was then vice president of the FEO, and others, who experienced the bitter lesson of the shipbuilding scandal, believed that if similar incidents occurred in the future, the financial circle would lose the people's trust and economic development would become impossible. To prevent such incidents, it was planned to abolish the system of political contributions, which could be misconstrued as donations with strings attached, and to create a single liaison channel so that contributions cannot be traced to any one particular enterprise.

(Heretofore, since various companies and individuals each contributed funds directly to political parties, there was fear of arousing unexpected suspicions. (Section omitted.) Therefore, on this occasion, as a temporary measure, an organization will be formed of those with the same intentions and the funds which are donated by the different enterprises, companies and individuals will be routed to this organization, and upon this organization's decision and responsibility....) (Prospectus of the Economic Reconstruction Council.)

In this way, Kogoro Uemura, Kiheita Kaneko and Tooru Oya became the representative sponsors while Nihachiro Hanamura, who was the General Affairs Division chief of the FEO assumed the position of managing director, and business transactions with the financial circles resumed.

Furthermore, at the time, the conservative parties were divided into the Liberal Party (Yoshida) and Democratic Party (Hatoyama) and before the elections, as expected, both parties made repeated requests for contributions to financial leaders and the sum is said to have climbed to 300 million yen. Since the salary of the prime minister was only 110,000 yen, at the time, the sum is worth over 10 times or equivalent to over 3 billion yen today. Therefore, the view that the establishment of the Economic Reconstruction Council was a desperate measure created by the pressure of requests from two parties is not altogether off the mark.

In 1955, the first year, many tens of millions of yen were collected and distributed to both the Liberal and Democratic parties while and insignificant portion was donated to the leftist and rightist socialist parties.

In October 1955, the leftist and rightist socialist parties merged while internal struggles within the conservative parties reached a breaking point. Unable to remain indifferent, the financial circle applied strong pressure on both conservative parties and in December, the LDP was born. In view of this, it can be said that the financial circle's move to create only one pipeline for political contributions played a considerable role in the 1955 party consolidation.

After the conservative coalition and until the inauguration of the People's Association in 1961, the council accounted for most of the increasing LDP operational expenditures and temporary outlays.

#### Procure Party Funds From a Party Organization

Meanwhile, in the spring of 1959, while listening to the pros and cons of the existence of the Economic Reconstruction Council, financial and LDP leaders and representatives of the civilian sector began to formulate the concept of establishing a support mechanism for party modernization. That was the plan to form an association "to support the conservative political party, the LDP, with both funds and organization based on a national foundation."

LDP President Nobusuke Kishi, Secretary General Shojiro Kawashima and Chief Cabinet Secretary Etsusaburo Shiina from the government, Kogoro Uemura and Tadashi Adachi from the financial circle, and Koichi Yoshino, president of Nihon Dantai Insurance Co, Hisakichi Maeda, president of SANKEI SHIMBUN and Goro Murata, former deputy director of the Cabinet Information Bureau, took the lead to prepare for establishment.

On 9 December of the same year, with Hisakichi Maeda as executive director and Goro Murata as managing director, the National Federation for Freedom was officially founded.

During the Security Treaty struggles, immediately after inauguration, the federation published a bulletin called, "Jiren," distributed 500,000 copies throughout Tokyo and conducted its first street movement.

The general election held in November 1960 under the Ikeda Cabinet, which succeeded the Kishi cabinet in July, was said to be an unprecedented factional contest and the people severely criticized the financial circle's donations which contributed to the "factional elections." In response to the criticism that "the method of raising political funds must be corrected," the financial circle presented, as a fair argument, "why not create a system whereby party funds can be procured from a party organization?"

Talks of modernizing also became rampant in the party and the ground work was laid for the formation of a new people's organization.

One route was the National Federation for Freedom and the other was the Economic Reconstruction Council.

In April 1961, at the first LDP Finance Committee meeting (first chairman, LDP President Hayato Ikeda), the plan to establish a People's Association was considered for the first time.

With the intent to give full cooperation, the financial circle had already disbanded the Economic Reconstruction Council in March in order to join the new organization.

The National Federation for Freedom also disbanded on 14 July and with the participation of both organizations, the aforementioned inauguration of the People's Association materialized.

#### Mass Movement Exceeding That of Reformist Parties

After its inauguration, the People's Association was busily engaged in forming prefectural branches. At the same time, it utilized the newspapers, magazines and TV facilities, which had rapidly disseminated at that time, to conduct large-scale public relations activities.

Small fliers were also widely distributed which carried the following notice:

(Titled, "Please Join the People's Association in Large Numbers," it stated membership fees were: monthly fees for individuals--100, 500, 1,000 and 10,000 yen; monthly fees for juridical persons--1,000, 5,000, 10,000, 50,000 and 100,000 yen; fees for groups such as young men's association, women's association, etc., can be set mutually.)

Signboards stating, "Your people's organization--the People's Association--to protect freedom and peace," also appeared and there was a time when the street movements surpassed even those of reformist parties.

With Kyoto as the first, branches began to be formed one after another throughout the country. In 3 years, 45 prefectural branches had been established. Lectures were sponsored in various places throughout the nation and large and small gatherings, such as study sessions, personal meetings with cabinet ministers and LDP leaders and 1-day policy research meetings were held frequently. As compared with the present character of the LDP, it can be seen that a surprising grass-roots movement had been attempted. Even with publications, nine issues such as, "If Japan Should be Communized," "For the Protection of Japan," and "Approaching Communist Revolution," had been published as the People's Association series.

In 1966, Chuzo Iwata passed away suddenly. The second president was Goro Murata, former deputy director of the Cabinet Information Bureau. He served as president for 7 years, until immediately prior to the change or organizational name from People's Association to the PPA.

In 1967, the Japan Young Men's Council, which was an organization of adolescents and young men of the People's Association, was established. Formation of the young power was also considered and a Columbia record by Aiko Anzai and Hisao Ito called the "Song of Japan's Young Men's Council" was also distributed to members.

On the other hand, for the elders, song shows such as "Nostalgic Melodies," "Columbia's Great Parade of Youthful Songs," etc., were sponsored and service to members was at its height.

## Collapse With "Money" Politics of Tanaka Regime

The record of contributions by the People's Association is as follows:

1961--70 million yen.  
1962--520 million yen.  
1963--1.61 billion yen.  
1964--1.16 billion yen.  
1965--2.344 billion yen.  
1966--2.68 billion yen.  
1967--4.555 billion yen.  
1968--3.873 billion yen.  
1969--3.993 billion yen.  
1970--7.787 billion yen.  
1971--7.389 billion yen.  
1972--8.3198 billion yen.  
1973--17.9125 billion yen.  
1974--16.372 billion yen.  
1975--9.212 billion yen.

Since the reorganization to the PPA:

1976--6.837 billion yen.  
1977--7.595 billion yen.  
1978--8.057 billion yen.  
1979--10.063 billion yen.  
1980--9.758 billion yen.  
1981--9.82 billion yen.  
1982--8.396 billion yen.  
1983--10.092 billion yen.  
1984--9.34 billion yen.

With the exception of the 70 million yen in 1961, which was calculated before the end of the fiscal year, the increase has been constant each year. Looking at the names of influential directors after establishment, there were, at one time, leading financial leaders such as Hiroki Imazato, Kazutaka Kikawada and Shigeo Nagano, and unique personalities such as Matsutaro Kawaguchi, writer, Hisao Tsubouchi, who was known as the reconstruction wizard, and Yasushi Iwasawa, who disappeared after the Seibi incident.

The figures show a steady growth but that was not the actual case.

From the actual two-digit growth during the late 1950's and early 1960's, a period of severe recession was encountered upon entering the late 1960's. Leading enterprises, such as Sanyo Special Steel, Sunwave Industries, etc. went bankrupt. As indicated by the special loans by Bank of Japan to Yamaichi Securities and Oi Securities (present Wako Securities), there was a feeling of crisis in the financial circles.

In 1967, with Kazutaka Kikawada as the representative sponsor, Hiroshi Anzai, Yoshihiro Inayama, Hiroki Imazato, Yoshizane Iwasa, Minoru Segawa, Shigeo Nagano and Sohei Nakayama formed the Industrial Problems Research Association to consider the proper role of entrepreneurs. On two occasions, once in 1961

and the other in 1963, the research association collected funds from the various strata of the national populace and presented a proposal that the People's Association become the principal organ in the daily activities, including policy researches, of the LDP.

Although an audacious public relations campaign had been sponsored, the membership fees which could be collected were limited and consisted mostly of money from financial circles. The situation has not changed.

In the above listing of contributions by the People's Association, unusual increases can be noted for 1973 and 1974. Although influenced by the fact that national elections were held that year, contributions in 1973 more than doubled that of 1972. (Lower house elections were held in December 1972 and upper house elections in July 1974.)

It is true that with the establishment of the floating exchange system in 1971 and the "Japan Archipelago reconstruction boom" started by the Kakuei Tanaka cabinet in 1972, commodity prices began to rise with the expansion of the financial base. There was also the factor of frenzied price increases created by the first oil shock.

However, "money" politics of Tanaka's regime must have played a part.

"The usual custom is the selection of secretary general, Finance Committee chairman and Financial accounts Bureau chief from different factions. However, that was not the case during Tanaka's regime. The secretary general was Tomisaburo Hashimoto, the finance Committee chairman was Eiichi Nishimura and the Financial Accounts Bureau chiefs were Takao Kameoka and Tatsuo Ozawa--all belonged to the Tanaka faction. The "check-and-balance" function is accomplished by selection from different factions. There were no account books and, of course, no receipts--the party's accounting system was said to be that slipshod." (Statement of a former reporter of the Hirakawa Club.)

The Upper House election held in July 1972 was said to be an unprecedented "plutocratic election" and furthermore, it was an "enterprise-controlled election" in which candidates were apportioned to different enterprises. The result was an utter defeat for the LDP.

The financial circle, which contributed the money, could no longer keep its silence. Public opinion and mass media were solidly opposed to the plutocratic rule and even within the LDP, Takeo Fukuda and Takeo Miki left the cabinet.

#### Financial Circle Decides To Let Tanaka Go

On 12 July, immediately after the balloting count started, it was decided and announced at the chairmen and vice chairmen's meeting of the FEO that, "the FEO will not allocate political contributions."

On 13 August, it was decided at the directors' meeting of the Tokyo Electric Co to stop all political contributions and to withdraw from the People's Association.



With Hiroki Imazato as the chairman, the financial bloc formed the "Diet Politics Modernization Committee," which included the four major economic organizations, Kansai financial circle, representatives of the old Zaibatsu groups and influential leaders. The association was made up of Toshio Doko, Kazutaka Kikawada, Shigeo Nagano, Takeshi Sakurada, Sohei Nakayama, Fumihiko Kono, Goro Koyama, Hosai Hyuga, Kiyoshi Nakatsukasa, Yoshinari Maeda (former chairman of Japan Broadcasting Corp), Junzo Imamichi (former chairman of Tokyo Broadcasting Station), Kanae Tanaka (former chairman of MAINICHI SHIMBUN), Tadashi Yoshimura (Tokai University professor) and Seigyo Takasaka (Koyoto University professor), and the conclusion was that the People's Association should be reorganized and political contributions should be developed into a broad-based people's activity.

It appears that Tokyo Electric was the first to announce that it will cease contributions because concomitantly with the "1-yen nonpayment campaign" to stop deductions of 1 yen for political contributions from electric bills, Fusae Ichikawa, Upper House Diet member, and others had been preparing a civil lawsuit to make political contributions illegal. Next, eight other electric companies, five gas companies starting with Tokyo Gas Co, three private railway companies including Kintetsu and Keio, announced that they will discontinue political contributions. On 5 November, Kunihiko Sasaki, president of the Federation of Bankers' Associations of Japan, announced the policy that, "Until the People's Association is reorganized, political contributions will not be made."

In short, the Tanaka Cabinet fell because of the "gold vein" monetary scandal but there was this other factor that the fund pipeline between the financial circle and the LDP had been completely cut off.

The LDP, with its monetary pipeline cut, could respond in only one way. That was to obey the financial circle.

#### Political Fund Problem Which Surfaced Because of Reorganization

Moreover, the then Secretary General Nakasone had announced that since summer, or the fall of 1974 to be exact, the LDP had loans of 10 billion yen obtained through joint financing of banking groups. There was not a yen to pay for the bonus of party employees and the monthly bank interest of 80 million yen could not be paid. The People's Association, upon which the LDP relied, was out of business so Secretary General Nakasone and Financial Accounts Bureau Director Kichizo Hosoda appealed for help to the Diet Politics Modernization Committee.

For Imazato, this was not a matter that could be ignored. He made a request to Nihachiro Hanamura, managing director of the FEO, who had been the person actually collecting political funds. Hanamura called on the steel industries, electric machinery manufacturers, automobile and trading companies, etc. and gathered 5 billion yen which he sent directly to the LDP Financial Accounts Bureau.

Tanaka cabinet withdrew and Miki cabinet had already started and the first item of business was the "restoration work" with financial circles.

On 28 December, Finance Committee Chairman Zentaro Kosaka and Kichizo Hosoda from the LDP and Hiroki Imazato and Sohei Nakayama from the financial circle met and formally decided on the reorganization of the People's Association.

The new president, Yoshinori Maeda, assumed office the following year. In the press interview, he proudly announced his "Maeda concept."

"The new name of the association will be the PPA. I will select the vice president and the committee chairmen of the research departments. To political parties which protect parliamentary democracy, we shall offer money from the Socialist Party to even the Communist Party. We shall demand budgets and account settlements from political parties." Financial leaders, who were distraught with the recession, complained, "Well, unless there is a collateral." The LDP, which was overburdened with loans, thought, "Why should political funds be given to opposition parties?"

At any rate, the PPA was inaugurated with Maeda as president. A number of officers, whom Maeda recruited personally, assumed positions.

Among them were: Hideo Itokawa, former Tokyo University professor; Shozo Ogiya, commentator; Yaeko Shiotsuki, tea ceremony master; Kisho Kurokawa, architect; Kenichi Kayama, Gakushuin University professor; and Jiro Ushio and Seiji Tsutusmi from the financial world.

The financial circle announced that political contributions will be made again and somehow, the new organization was launched.

On the other hand, Masashi Ishibashi, secretary general of the Socialist Party, the leading opposition party, stated as follows in the press interview during a Hokkaido tour:

"The reestablishment of the PPA on 28 March is nothing more than the revelation again that the LDP is supported entirely by large enterprises. It cannot be overlooked that one of the aims of resuming political contributions at this time is linked to the anti-monopoly law revision which is the big issue today." (6 April 1975, MAINICHI SHIMBUN)

Revision of the political fund regulation law was suddenly brought into focus by the formation of Miki Cabinet.

The political fund regulation law was established in April 1948. The revision made in 1961, based on the findings of the first Election System Council, merely added the provision that companies and other juridical persons, which are receiving subsidies or financial assistance from national or local public entities are prohibited from giving or receiving contributions related to elections.

Subsequently, bills to revise the law were submitted to the Diet in 1967, 1968 and 1969 but were killed without full deliberations.

In April 1975, the political fund regulation law was submitted to the lower house. On 4 July, at the plenary session of the upper house, a scene occurred which was unprecedented in the annals of Diet history. The vote tally was a

tie of 117 to 117 (yes--LDP; no--Socialist, Komeito, Democratic Socialist and Communist parties) but through the ruling of the upper house president, Kenzo Kono, the law was finally passed.

According to the revised law, when companies contribute, the maximum limit is set by the amount of their capitalization or investments. If less than 1 billion yen, the limit is 750,000 yen; if over 1 billion but less than 5 billion yen, the limit is 15 billion yen--with the uppermost limit set at 100 billion yen. For individuals, contributions must not exceed 20 million yen per year.

Also, the item was included that "a political party may designate a special political fund organization," and the LDP specified the PPA. Yoshinari Maeda, who had previously stated that, "even the opposition party..." resigned the presidency. At the same time, all the officers who were recruited by Maeda left.

Reverted to "Fund Depository" by Revision

Replacing Maeda, Mitoru Eguchi, who had served as the first deputy director of the National Police Reserves, the first superintendent general of the Tokyo Metropolitan Police under the new system and a supervisory official of the Power Reactor and Nuclear Fuel Development corp, assumed the presidency of the PPA.

Since Maeda's resignation, the PPA has functioned solely as the political fund organization of the LDP.

"We have not held lectures or engaged in public relations activities for 10 years. The names of individual or foundation members are not publicly revealed." (Statement of Makoto Kiriyama, Information Division chief of the PPA.)

The foregoing statement reflects the nature of the PPA.

"Since 1975, the PPA has not done anything. It is simply an organ to collect political contributions. Most of the individual members have been absorbed by the National Council for Freedom and the people's organization movements conducted at the time of its establishment are also being carried out now by the National Council for Freedom." (Statement of a certain LDP Diet member.)

However, the PPA's pamphlet states that individual members' monthly fees are 500, 1,000, 5,000, 10,000 yen and above while juridical persons' monthly fees are 1,000, 5,000, 10,000, 50,000 and 100,000 yen and above.

The official name of the National Council for Freedom, a political organization, is "People's Council to Protect Free Society," and was established in April 1977. It is presently active with Toshiro Mayuzumi, a musician, as the chairman.

"This organization is based on the concepts of freedom and conservatism and while developing them creatively, it will aim to promote and support the

reform and rebirth of the LDP." (Prospectus of the National Council for Freedom.)

Aside from collecting political contributions, the organization is fully substituting the role of the People's Association.

"There is a coordinated function between the National Council for Freedom and the PPA. The latter is for foundation members while individuals automatically become members of the National Council for Freedom. If a member qualifies as a "party fellow," by paying membership fees of 10,000 yen or more annually and pays the dues for 3 years, he acquires voting rights in the party's presidential elections. Fees of members belonging to the various prefectural branches are divided equally, i.e., for each 10,000 yen paid, 5,000 yen go to the party headquarters and 5,000 yen to the branch foundations." (Statement of a certain member of the National Council for Freedom.)

Of course, fees of individual members are small, statistically speaking, and most of the funds are obtained from large enterprises.

#### Head Clerks of Fund Depository

There is a person who played a major role in political contributions to the LDP. He is Nihachiro Hanamura. The year before last, after serving as vice president of the FEO, he became the chairman of Japan Air Lines [JAL].

At that time, suggestions were made that he be given "a merit award for management of contributions to the LDP."

Since serving as the managing director of the Economic Reconstruction Council in 1955, he has continued to direct the allocation of political funds from financial circles, although the organization changed to the People's Association and then to the PPA. He is also known as the "head clerk of the financial world" and the "political funds division chief."

"At the time he assumed chairmanship of JAL, Hanamura said, 'Even if I am not there, there are competent persons in the FEO who have been trained to collect political funds.' However, aside from Hanamura, there is no one who can carry out this function capably." (Statement of the aforementioned elder Diet member.)

At any rate, the money collected by the PPA flows in the party's Financial Accounts Bureau via the System Receiving Center (Inc) (Hirakawa-cho, Chiyoda-ku; capital: 10 million yen) of which the party's successive heads of Financial Accounts Bureau and Finance Committee serve as representative directors.

As for the LDP Financial Accounts Bureau--at the LDP headquarters in Hirakawa-cho, when one gets off the elevator on the second floor, he will find the Newspaper Bureau on the right and on the left, the party membership roster room, then the Financial Accounts Bureau.

According to Article 11 of party rules, it ranks with the Administrative Bureau, Personnel Bureau and Research Bureau as one of the bureaus under

the direct jurisdiction of the secretary general and is one of the latter's "right hand" organs. At the time of lower or upper house elections, a member receives an official certificate from the president in the latter's room located behind the secretary general's office on the fourth floor, proceeds to the adjoining vice president's room and receives the certified money bundled in a wrapping cloth.

Even in a year when no elections are held, this ceremony of cash transfer is repeated every summer and year-end in the secretary general's office. These "allowances" are commonly referred to as "mowing fees" and "rice cake money."

Of course, the Financial Accounts Bureau's financial plans differ on whether or not an election is to be held. During the spring of the year before last, in late April, when there were rumors of lower and upper house double elections, a certain LDP Diet member confronted the then Financial Accounts Bureau Chief Eisaku Sumi and questioned, "Is it a fact that there won't be a double election?" It is said that Sumi replied complainingly, "I am changing the party's financial plan from double to single election. My consecutive holidays are all fouled up." Hearing those words, the Diet member was convinced that there would be no double elections and went off to spend his holidays with ease of mind.

Every action of the Financial Accounts Bureau on the second floor, there is a safe as tall as a person but normally, only about 10 million yen is kept in it. When more money is needed, it is brought in from the Daiwa Bank branch in the Diet Members' Office Building, or from other places.

In the case of the LDP, powers to decide on important expenditures of operational and party funds are held by the secretary general (Shin Kanemaru). In the absence of the secretary general or when the priority is low, the assistant secretary general (Michio Watanabe) or the Finance Committee chairman (Ken Harada) might make the decision.

The secretary general is the "spender" and the Financial Accounts Bureau is only the "collector." Therefore, the bureau and the PPA are alike.

Hayato Ikeda, who was LDP president when the People's Association was formed, was the father-in-law of the present Financial Accounts Bureau Chief Yukihiro Ikeda.

"The PPA is LDP's sole political fund organization. Political funds, which are not tied to individual profits and received by party headquarters from the association, constitute the major portion of LDP funds. Of course, we maintain very close liaison and contacts."

With regard to suggestions made at director's meetings for revision of the political funds regulation law, he comments sparingly that, "The maximum limit of the regulatory law was set 10 years ago. Price indexes have risen. It is necessary to reassess the limits. Unless this is done, straightforward dealings might be obstructed. Look at the social parties. They are also held to collect funds. If only idealistic practices are followed, foul money begins to move."

There is a book called, "A Novel, the Federation of Economic Organizations" (written by Hideo Akimoto), which uses the aforementioned Nihachiro Hanamura as the model. It is a novel portraying the "hidden side" of political contributions. It is said that Hanamura, who read it, claimed, "It is only one one-hundredth, or with due respect to the author, maybe, one-tenth." What he meant was that only one-tenth of his activities have been disclosed in the book.

At present, the LDP is reported to have loans of 9 billion yen. There is a possibility that the Diet will be dissolved and general elections held this year. If that becomes a reality, the liaison between the Financial Accounts Bureau and PPA will become even closer and the foul money, that the bureau chief Ikeda referred to, might begin to move. Of course, when that time comes, Nihachiro Hanamura cannot be sitting leisurely in the chairman's seat of Japan Air Lines....

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CSO: 4105/418

POLITICAL AND SOCIOLOGICAL

LDP SECRETARY GENERAL KANEMARU'S NEW LEADERSHIP EFFORTS REPORTED

Tokyo SEIKAI ORAI in Japanese Jul 85 pp 266-279

[Article by Koji Sato, journalist]

[Text] Lingering Support For Nikaido

Speculative reports abound concerning former Prime Minister Tanaka's illness. There is no way of knowing whether any of these are true since no one actually has seen the former prime minister, but what is clear is that his daughter Makiko has criticized his private secretary Hayasaka and the hospital for the "state of isolation," confirming of her own free will that it is her father. Also, former Prime Minister Tanaka recently borrowed 2.5 billion yen.

Above all else, it is clear that "the Tanaka faction no longer exists," (secretary to Tanaka faction Diet member). They even are starting to say that a definite settlement has now been made to the dispute over the successor to the Tanaka faction of former Prime Minister Tanaka.

Diet member Yoshiro Hayashi has acted loyally as a close associate of Nikaido and according to his secretary, "The winner already has been decided and it is comforting to Nikaido to know this. He believes it is good. He is probably too kind."

He is supporting Nikaido with the knowledge that he has lost. It is a story akin to that of the group of loyal samurai with a blood pact who fought at the end of the feudal period knowing they would be defeated. Now that former prime minister has collapsed, Diet members who opposed the Takeshita Soseikai political support group have continued their activities to counter support of Nikaido.

"Tanaka is as good as dead. He is already dead at Nagata-cho [location of Diet Building]. Even if he should somewhat regain his health for a time, you can't undo what has been done. The Nanokakai groups have been activated by Takeshita lately and even groups who have not participated in these will at sometime or other see themselves joining sides with Takeshita. The wave of changing generations cannot be pushed back. The collapse of former Prime Minister Tanaka, in a sense, was a result of the flow of time," (secretary of Kochikai).

Wisps of Nikaido support continue to linger about. Nikaido has said nothing himself. Not one word has been uttered about wanting to take the seat of political power. What he is thinking at heart is not known. He has been defeated by praise in a roundabout way and there is a strong sense that he is holding back his energy in actions. Actions to engineer support for Nikaido were put into motion against the actions of the Takeshita Soseikai which twice postponed meetings on 7 March and 4 April. At a general meeting of the Tanaka faction on 4 April, they decided to hold a meeting on 20 June "to discuss Susumu Nikaido, the man." The next day, they met former Prime Minister Kishi to request supporters. In addition, there were chats at a Cherry Blossom Viewing Party held on 8 April in former Prime Minister Miki's office, attended by Fukuda, Suzuki, Raizo Matsuno and others. At the gathering, a request for supporters of the "the discussion meeting" was made to the old enemies of former Prime Minister Tanaka.

Actually, behind these activities, Nikaido, who is indifferent to appearances, "has been going around with an ashen face," says former Prime Minister Tanaka's secretary, Shigemitsu Hayasaka. "He has been paying daily visits to Diet member Toshiichi Fuke of the Fukuda faction, who was hospitalized at Teishin Hospital at the same time.

#### Conspicuous Actions of Chief Secretary Kanemaru

"Every time he comes to visit, he chases his secretary out and the two of them talk about something alone. Then, prior to his release from the hospital, Diet Member Fuke demonstrated that he was quite a fixer. It is believed that he met with former Prime Minister Kishi and former Prime Minister Fukuda, and he has met with Masumi Esaki and Nikaido and also with Kanemaru and Takeshita. That was just before the second meeting of the Soseikai," (knowledgeable source).

Since surely the second meeting of the Soseikai was postponed by this, he probably must have been effective in his own way.

"After all, the support of Nikaido is aimed at knocking out Takeshita with a provisional Nikaido regime. He is thinking only of the defeat of Takeshita's guardian Kanemaru. Ultimately, sentiments have priority and he just does not want to put an end to control by the elders," (secretary of a non-Soseikai Diet member).

The meeting of the Soseikai that was postponed thus far was held on 18 April and this time, about 20 men closely associated with Nikaido such as Yoshiro Hayashi and Keiwa Okuda opposed it and had a meeting on the 19th, the next day. This anti-Soseikai counterattack was "a frightening sign" to the Kanemaru-Takeshita "corps." At any rate, the Soseikai gathered 32 men from among the 66 faction members of the House of Representatives, and the fact that they attended was enough to stir up the anti-Soseikai's sense of danger.

Regardless of that, however, the Nikaido Support Faction situation has not been favorable. The "Meeting To Discuss Susumu Nikaido, the Man," which was



scheduled for 20 June, was said initially to be a 900 million yen party and it was said it would support the whole faction, but now really strange talk has erupted.

Miki and Fukuda both were scheduled to be listed as supporters on the party invitations but this was criticized by Seiroku Kajiyama and ultimately their names were crossed off. There was no sense of honor. Recently, however, a quarrel began among the Nikaido Group, the Mokuyo Group and Tanaka's office surrounding distribution of the money collected at the party with the demand that it should be handed over to them. Not only that, but the Takeshita Soseikai declared that a share should be handed over to them. As it was decided that it would be done for the whole faction, under the circumstances wasn't 900 million yen unreasonable? Wouldn't a mere 300 million yen have been good for assistance? (Tanaka faction secretary).

The secretary of a Kochikai leading Diet member viewing the internal discord of the Tanaka faction from the sidelines has said, "The non-Soseikai side has lost. They are on the defensive. That is the cause of the disorder." This appears to be a real contrast to Liberal Democratic Party General Secretary Shin Kanemaru, who lately has been said to be in very good spirits.

Recently Secretary General Kanemaru has supported the Nakasone Administration which he abhors, has schemed for the loss of prestige within the faction of former Prime Minister Tanaka in order to promote a change in generations, has extinguished support for Nikaido, and come to encourage the creation of the Takeshita Soseikai. These days he has been somewhat prominent, but a rumor contrary to those flashy actions has been circulating.

#### A Face That Appears Without Fail At Political Junctures

As it has often been told, Kanemaru was born in the old Kai Province region, of Takeda military clique lineage, and has been a rowdy since he was a child. He has the intimidating skill of a 6th degree black belt in Judo which he learned during his days at Tokyo University of Agriculture and Technology. In the brave warrior tradition, one by one he flung aside Opposition Party Diet Members in the Diet on the Security Treaty and carried the Speaker Kiyose to the speaker's chair. Shin Kanemaru probably is expected to have such blood since his ancestor was Sozoshu Tsuchiya, a retainer of Katsuyori Takeda, and known for his single-handed killing at Tenmokuzan. "So that Katsuyori, being chased by Oda's mighty forces, could flee, he grabbed hold of wisteria vines in one hand and slew the enemy single handedly on a straight road with the coast on one side and a valley on the other, kicking them down into the Hikawa."

Since running and being a top winner in the House of Representatives election in 1958, Kanemaru has been continuously reelected to 10 terms, a fact probably built upon his principles and attitudes. He himself has stated that the saying "A man is a castle, a man is a stone wall, a man is a moat, compassion is an ally, revenge is the enemy" comes from the importance of ties between men. At a time when first-year Diet members were viewed merely as insignificant, he was stirred into a frenzy listening to Tomomutsu Ono talk of "the importance of the nation." Perhaps in appreciation for his distinguished

service at that time, he became the Ministry of Posts and Telecommunications parliamentary vice minister, which can be called exceptional treatment.

Shin Kanemaru, who patterned himself after Shigeru Hori and revered his political mentors, increased his power as a politician more and more, beginning with his post as Ministry of Posts and Telecommunications parliamentary vice minister. After reelection to a third term, he again served as Ministry of Posts and Telecommunications parliamentary vice minister and then in 1966, Ministry of Transportation parliamentary vice minister and chair of the Diet Policy Committee under the Sato Cabinet, gaining power. He also served as chair of the Diet Policy Committee under the Tanaka Cabinet.

He served as minister of construction, director general of the National Land Agency, director general of the Defense Agency, and again two terms as chair of the Diet Policy Committee under the Ohira Cabinet. Then under the Nakasone Administration, he served as chairman of the Executive Council, and secretary general as a successor to the late Rokusuke Tanaka and his influence has not changed in the slightest. In "The Power of the Rising Sun," Secretary General Kanemaru has been appraised as doing and saying what he wants "with no enemies."

"In undertaking something for someone, he's a man who carries it through to the very end. If he decides to do something, he will push it through no matter what it is." (Political Section reporter)

For example, when the secret feud between Tanaka and Fukuda in the post-Sato period grew fierce, he loudly begged forgiveness of Shigeru Hori, who supported Fukuda and said, "I really apologize but ever since I have been a Diet member, I have wanted Kakuei Tanaka to become prime minister and I even have made appeals in my electoral district concentrating on that desire. It is truly contrary to your wishes, so please forgive me because I will work for Tanaka."

Hori, who at that moment was hit at an unguarded moment, growled consent and loudly acknowledged, "Kanemaru, since you are the Chair of the Diet Policy Committee and have been very busy, I previously haven't said anything thinking that such talk would be regrettable .... However, since you have said it first, there is no way I can persuade you. I understand. Go stake your life on Tanaka. Hori was working to support Fukuda who was furiously fighting with Tanaka in the post-Sato era. From the time that Prime Minister Sato retired, Kanemaru became the head of the assault troops to create a Tanaka Cabinet. In a fight where he was holed up in the headquarters at the New Otani Hotel for over a month, Kanemaru lost 22 pounds.

In the first round of the Tanaka-Fukuda war, there was a slight majority in the vote but in the final ballot, it was an overwhelming victory for Tanaka. It was a victory for Kanemaru who always carries through to the end what he has in mind. Above all else, it was the consuming method of "waging one's life to fight for the concern of the nation."

This is the one who has surpassed the deceased Rokusuke Tanaka of older times, of whom it was said that nobody could equal. Consequently, his face appears at all political junctures.

Supporting "Nakasone, the One He Most Abhors in Japan"

Political affairs usually have revolved around the Tanaka-Fukuda War. Kanemaru, who constantly had been thrown about by this, proposed setting up "a change of generations." That was right in the middle of the double election in 1980.

He brought up the fact that "It is necessary to plan for a radical change of generations to make politics belong to the public. The current heads of factions should retire and factions be dissolved. Since there are about 50 people in the group who align themselves with my thinking, including the anti-mainstream group, I intend to move to action along with these people after the election."

The intent of this speech, for one thing, was to stop Nakasone who was regarded to be in the lead as the successor following the sudden death of Prime Minister Ohira. The day before the balloting, Kanemaru answered thus when asked "Is there a movement to support Nakasone within the Tanaka faction?"

"Nakasone will not assume the presidency for the sake of Japan. If there actually is such a movement, I will spread out my body to stop it. And, if the Tanaka faction actually is to have Nakasone as the successor to the president, I will leave the Tanaka faction."

Then when he learned that Prime Minister Tanaka was not considering support of Nakasone, he dropped his "generation change argument" and reconciled with Tanaka. It is Kanemaru's fighting style to abandon himself and embrace the situation. While considering "the voice of the boss to be sacred," he is stubborn if need be in rapping "a sacred voice."

Beginning at this time, the focus of the political situation entered a period in which there was maneuvering between the generation which continued to support the elders and the new leaders centering on Kanemaru who had taken up the "change of generations" because of the opposition between Tanaka and Fukuda who had become the elders. Kanemaru fiercely raced ahead with the "change of generations" believing that "the opposition between Fukuda and Tanaka is unrelated to you or me and we should work just by ourselves."

Along with Rokusuke Tanaka, who looked down upon Nakasone as a conservative branch, it is very correct to say that Kanemaru, who has not hesitated to state publicly that "Nakasone is the most detestable in Japan," has given the seat of political power to Nakasone and supported him because it is Kanemaru's belief that "government is for the sake of the people, not sentiment." It is Kanemaru's "logic" to realize it if he believes it is necessary at this time.

When Kanemaru supported "Nakasone, the most abhorred in Japan," that alone was intimidating.

In October 1982, Prime Minister Suzuki, who had been regarded as certain to run for reelection, completely unexpectedly announced his retirement.

Secretary General Nikaido, who became the mediator, advocated separating the prime ministership and presidency with "Nakasone as prime minister and Fukuda as party president" and there was chaos. Nakasone refused and it was decided to jump into a preliminary election. This time, however, with the presidential election close at hand, there were strong movements in the Tanaka faction to put up Nikaido and Takeshita.

Gotoda spoke viciously, "Are they going to put up such worn-out relics?" and the younger members of the Tanaka faction crowded into a restaurant and drummed up enthusiasm for an independent candidate.

Even at a Tanaka faction executive meeting, opposition to Nakasone was strong and no agreement could be reached. This time, Kanemaru stood up.

"Everyone, I have been speaking reservedly asking you to imagine what is in my heart but at this time, it is best to speak clearly. I detest Nakasone more than anyone in Japan. I understand what you all have been saying, but isn't it all meaningless now? Our mentor's voice (former Prime Minister Tanaka) is sacred. Since our mentor also has a sense of love and duty, he has said Nakasone. (After the double election and now). It is not unreasonable to want to bring up Nakasone a second time. It is not a matter of love or hate. Since our mentor is going with Nakasone, I am going with Nakasone. Those who dislike it have no recourse but leave the Tanaka faction.

#### Rumors Spread of His Worsening Diabetes

Since then, Kanemaru's support of Nakasone has been steadfast. Or rather, on the contrary, while chairman of the Executive Council, he was in fact bustling about as the one responsible for Diet policy and since Secretary General Rokusuke Tanaka collapsed with illness, he acted in his stead.

Then, he became mediator in the reelection of Nakasone and now has become secretary general supporting the regime. It could be called a driving force as if possessed by Rokusuke Tanaka's tenacity.

He bustled about for the sake of the Nakasone administration, but he has worked untiringly to lay tracks for a new leader in the post-Nakasone era. It is as if to his regret, there was no way out and the only thing he could do was to hold on to the stumbling block.

Rokusuke Tanaka collapsed in the middle of his career, burning with intensity although he had become blind to the extent that he was called "Blind Roku." It was cataracts which came from his diabetes. Of the end of Rokusuke Tanaka, it was said:

"Surgery for his worn-out heart was impossible. Although open-heart surgery and a bypass done in an expert way would have helped his critical blood vessels, the surgery itself was said to be dangerous. Ultimately, he passed away with the third attack. Until he passed away to the other world, Roku

meditated with regret that he had fallen ill in the middle of his career. He shook up Nagata-cho until he died." (Kochikai secretary)

Secretary Shin Kanemaru's diabetes also "has worsened considerably." (Soseikai Diet member secretary)

"There was talk that he disappeared somewhere once a week. He was going to the hospital. There is no mistake that his condition had considerably worsened." (Kochikai secretary)

"His diabetes has worsened to the point that he cannot not read. He does not blink and stares intently in some direction. His vision has declined. Perhaps he has lost his sensitivity to light. It is not just his eyes; his feet seem to be bad too. Since he also had pleurisy long ago in the days of the Kanto Army, it is not impossible for him to suffer a relapse if he overtaxes his body, robust though it be. Then comes his exhausting work. It is not strange that his chronic diabetes has worsened. (Fukuda faction secretary)

According to the Tanaka faction secretary, "Didn't they keep a special room for him at Tokyo Women's Medical College? It is said that it was the room that Kiyomitsu Ozaki was in."

To tell the truth, there were rumors that he had collapsed this April but the press corps was muzzled and told "absolutely not to talk about it."

"Kanemaru's diabetes seems to have gone to his feet and his lymph glands have swollen up. It is said that several times a year the pus must be discharged. It is so bad he even can not put on his shoes. It gets infected there if he wears shoes, and since the pus has to come out whenever it builds up again, the duty reporter says it's pretty bad." (reporter in charge of political affairs)

There was some basis for the Women's Medical College rumors. It was before Secretary General Kanemaru went to Hawaii. As only slightly mentioned in a certain newspaper, Kanemaru's trip to Hawaii was for treatment of diabetes and in that sense, it was recuperation. Kanemaru, who left Tokyo on 27 April and returned at 2 am on 5 May, was accompanied by his wife and Deputy Secretary General Koichi Hamada. This is what a political reporter had to say about Kanemaru's convalescence in Hawaii:

"Kanemaru went to a hospital several times to have the pus taken out of his feet, but they did not get better. Although as a rule it was not good for him to wear shoes, it wouldn't do for him to wear sandals or such things in connection with his work. If his feet became infected when he wore shoes, he would be warned by the doctor. It is correct to say that this trip to Hawaii was for the most effective treatment. In other words, walking barefoot on the sand was an effective way to eliminate the pus. Didn't Secretary General Kanemaru put that into practice on the seashore of Hawaii?"

### Visit to Nakamatsu, the King of Inventions

Now, it will not do for Kanemaru at present to submit to the illness effecting his feet. That is because more than anything, there are still many barriers he must overcome before Takeshita is realized as the legitimate successor presiding over the entire Tanaka faction. For that alone, it is natural that treatment of his illness weighs heavily on his nerves. Although it is not known how truthful the stories of his treatment in Hawaii are, the greatness of the concern for his illness because he did not protect himself and his person can be learned from the following episode:

When the son of Kenji Osano died, Secretary General Kanemaru, who rushed to the funeral, collapsed.

"It probably was very serious for Kanemaru. It was hushed up after he collapsed and up to now nothing has come out about it, but some closed mouths recently have opened up even among the tight-lipped press and they have begun to talk," (well-informed person).

Indeed, there are stories that "he was repeatedly hospitalized at Tokyo Women's Medical College in 1982," but it is not known at all whether these are true.

Also, in the Spring of 1983, Secretary General Kanemaru visited a company in Akasaka called "Nako, Ltd." This "Nako" company is a company run by Yoshiro Nakamatsu, known as the inventor of a golf putter called the "Nakamatsu Putter," and "Brain Chair," said to be a device that improves the mind. There was a reason that he visited here when he was busy.

Nakamatsu's secretary says, "In the Spring of 1983, I think it was April, he suddenly paid us a visit, and sat like a lump on a chair for visitors in the entryway. He was motionless and said nothing until I asked him what he wanted. I make it a principle not to concern myself at all with people who come to visit with no warning from Nakamatsu about who they are. I pitied him however, and asked what he wanted. Then Kanemaru asked, 'Would you let me sit in the chair?' So, Nakamatsu received him, he sat for about an hour, and went home. About a month after that, he abruptly came again, but that was all."

It was Kanemaru's character to make sudden visits. Just at that time, his left eye seemed to be hurting unbearably, perhaps from a cataract brought on by his diabetes which had worsened.

There actually are such stories as "His left eye hurt and he shot morphine to stop the pain." (Tanaka duty reporter)

According to Yoshiro Nakamatsu, "He said that his optic nerve hurt so much, but I thought it originated from the brain. The Brain Chair has the effect of calming such brain nerves. After Kanemaru had sat, he too said it was very effective."

Of course, Kanemaru did not believe that his own illness would be completely cured by this wondrous machine to improve the head. It was one necessary

attempt of the moment to sustain himself. That he paid no more visits to "Nako," was due to his knowing that there would be no fundamental resolution with such methods of cure.

#### Kanemaru Bustles About "Energetically"

It also is said that this spring, he received acupuncture treatment three times by Shen Bolin, a pharmacist from Taiwan said to be an authority (?) on acupuncture and moxa treatment. According to an informed source, "He improved quite a bit" with this treatment.

However, the rumors concerning Kanemaru's illness do not stop here. The fact of the matter is that they even jump to stories that "It seems that he is using nitro." (Tanaka duty reporter)

As might be expected of Kanemaru who believes that "politicians are meaningless if they cannot make tomorrow better than today," there is nothing to parallel performing today's work.

"The work of a politician is an exhausting task that cannot be understood by the average person. It frazzles the mind and the body. It is not a world where one can rest if one gets a little tired. If one does, rumors circulate that "that fellow is sick" and one's political career is taken away. For that alone, health management is important. But even that health management is beyond one's control. It is unusual for one not to get sick," (a secretary).

Even though Rokusuke Tanaka, who came to a tragic end, was called "Blind Roku" with eyes so bad he could not read letters because of the advancing diabetes, he bustled around with energy. At the time of the LDP arson incident, which occurred while he was being hospitalized after having collapsed from illness, he ran around in his pajamas. Such was the extent of his tenacity.

"He probably was prepared for death at all times. All the same, he never thought of resting. It was a frightening tenacity." (Kochikai secretary)

Such was Rokusuke that even on his deathbed, "he worked to make a will in order to exert influence."

As the secretary general after Rokusuke's death, Kanemaru has not appeared as conspicuous in his actions as Rokusuke. He almost never attends booster meetings and apparently refrains from going outside his office at and the secretary general's office. Dietman Koichi Hamada, who served as his bodyguard, is said to have offered his services as mediator.

"It happened to the extent that there were complaints among the people who came to meet Kanemaru. It was not Kanemaru, but Hamada who said "There is no time," and turned them away at the door. Hamada spoke for Kanemaru."

Kanemaru actually was working furiously unseen. In striving for a change of generations, he schemed for former Prime Minister Tanaka's loss of prestige, immobilized support for Nikaido, and worked energetically to create the Takeshita Soseikai.

After it became clear that former Prime Minister Tanaka secretly had returned to his home, he worked to win over the daughter Makiko into the Kanemaru-Takeshita line.

"He severed connections with his secretary Hayasaka to mollify Makiko. In order to stop the vigil at Mejiro [location of Tanaka's residence], he assembled the Tanaka-watch cast and chatted with them. He told them he had fired Hayasaka and assigned another person in his place. That was how his secretary Hayasaka was removed, (political reporter).

#### Behind the Declaration of a "Fighting Secretary General"

Of course, Hayasaka had a premonition of this and hustled around using Fuke to crush Kanemaru. That failed and after holding a press conference in which he apologized for false evidence, he quickly was hospitalized.

"Hayasaka said he was very tired and was unwilling to do any more." (political reporter)

Kanemaru, however, was not successful in winning over Makiko.

"Kanemaru clearly was told by Makiko that he and Takeshita were the cause of her father's condition. It is said that when Kanemaru heard this, he heaved a sigh and said that it was not at all true." (political reporter)

The maneuver to obtain the entire Tanaka faction, in which "instead of driving away the groups who opposed Nikaido and the Soseikai as wounded lions, he skillfully mollified them to obtain the entire Tanaka faction and unify them for Takeshita" (political reporter) failed to win over Makiko and ended in throwing cold water on the ploy.

On the 24th, the day before Kanemaru left for Hawaii, he talked secretly with Prime Minister Nakasone about not having an extraordinary session of the Diet in the fall. It is said he also talked with former Prime Minister Kishi not to have a dissolution in the fall, that it was best if Nakasone did not have a third term, and raised the theory of a change of leadership. When he returned from Hawaii, Secretary General Kanemaru declared at a press conference that he would be a "fighting secretary general," and suddenly became active in doings, but there was a reason for it.

"Prime Minister Nakasone was rather shrewd and would not give one word of commitment in the case of party officer personnel matters this fall. There was not even a guarantee that Kanemaru would be the next secretary general. For him not to hold on to it at this time would probably be unpalatable." (political section reporter)

Then, he became impatient. On 12 May, he talked for over an hour with Finance Minister Takeshita and while discussing escalating domestic problems, they talked about the problem of the Tanaka faction without former Prime Minister Tanaka, who was shaky with recuperation at home. On the 15th, he proclaimed that the Fall Extraordinary Session should be delayed and on the other hand, refrain from aiding the smoldering rumor of dissolution. On the same day he



also lectured at a study meeting of the young members of Kochikai, and poked fun at Miyazawa. On the 17th, he again talked with Kishi. On the 18th, he appeared at the campaign speeches for the Metropolitan Assembly elections. He suddenly has forced himself to become active.

"The majority within the faction are leaning toward Kanemaru-Takeshita. It seems that Kanemaru's role has now ended. Even if he should fall ill, it probably would not influence it." (Kochikai secretary)

It is turning out to be optimistic, but "He now is very impatient. There are no guarantees for tomorrow. In so far as there is no supremacy within the faction, the situation is that it is not known whether the non-Soseikai, centering on Nikaido, will revolt again. He also is negotiating with other factions. He is standing in a difficult position." (informed source)

That probably is the best way to view it. As stated before, the state of his health has not improved. He is probably overexerting himself. Again, it probably should be said that is why he has supported the Nakasone regime.

#### The "Strange Power" of Prime Minister Nakasone

Ever since he became prime minister, Nakasone has made those who have become his partners devoted to their work. I think it is like a strange power that eventually makes them sacrifice their health. An example is the former secretary general of the Liberal Democratic Party, Rokusuke Tanaka, now deceased. He was brought up in the conservative mainstream of the prestigious Kochikai and his consuming work to install Nakasone, who had been viewed up to then as a cut lower in a conservative branch, and to kindle and protect him through his career, was touching to the observer.

In the "Frank Works to the Conservative Mainstream," which became Rokusuke Tanaka's testament, he wrote "Frankly speaking, originally I did not like Nakasone. It probably would be more correct to say I detested him. More than anything I felt Nakasone's political style was incompatible. However, in viewing the times and the people, my belief in supporting Nakasone became solid by the fact that the very aggressiveness and decisiveness which he possessed was necessary for Japanese politics."

Then he even praised him, saying "Prime Minister Nakasone is from a conservative branch, but I believe that is not appropriate. It is insignificant to reference someone's lineage as being from the mainstream or branch. The most important thing is what does he do as a politician, and how does he manage the political situation with what policy? There are politicians who do not understand the secrets of party politics, but as learned from the recent Nikaido support drama, Nakasone already has demonstrated in his political actions compliance with the basic principles."

The person who lost his life after Rokusuke Tanaka was Prime Minister's Nakasone influential secretary Mutsuo Iwamatsu (42). Originally a newspaper reporter, Iwamatsu, as Nakasone's writer, created almost all of his speeches and policy drafts. Iwamatsu, who had ambitions as a politician and became Nakasone's secretary, never was able to leave the position. Finally, when he

was in the midst of making preparations to run in the Tokyo 7th District in accordance with his wishes, he suddenly died.

A close friend revealed in a word of emotion, "He already was worn-out."

Nakasone's hands trembled as he recited the eulogy at the funeral and it was no wonder that eventually the eulogy slipped out of his hands. A glimpse was shown of the vast, deep relationship between Iwamatsu and Prime Minister Nakasone which had not appeared on the political surface.

#### The Origin of Kanemaru's Hatred of Nakasone

Former Prime Minister Tanaka probably was the one person who was the greatest supporter of creating the Nakasone regime. He held in check support for Takeshita who remained obscure in the faction, and in the reelection last fall, crushed the Nikaido support drama. After defending to the end his role as sponsor of Prime Minister Nakasone, he could not beat the surge of generation change, which also can be called the wave of the future, and eventually lost to the Kanemaru-Takeshita coup d'etat. Coupled with the mounting stress, he collapsed with a cerebral infarction on 27 February. It was four months after the reelection of Nakasone. It was a time when the aftershocks of the Nikaido support drama still had not abated, and the Takeshita Soseikai was being formed, virtually splitting the Tanaka faction in two.

Nakasone was reelected just because of this very circumstance. Added to the situation that truly might split the Tanaka faction in two, the "strategy" of LDP Secretary General Shin Kanemaru was taking effect. Not only that, if former Prime Minister Tanaka had collapsed when the faction was intact, there is no mistake that Prime Minister Nakasone would not have grasped the political leadership to the extent he has now.

Shin Kanemaru, who succeeded in reelecting Nakasone, originally was the person "foremost in Japan who detested Nakasone." For Eiichi Nakao (defeated) of the Nakasone faction, who is in the same electoral district (all Yamanashi Prefecture), not only was it a situation in which normally antagonistic, he was acting out a life and death struggle, but the political posture of Nakasone, who was called a weathercock, was completely different from Kanemaru's "politics is human relations" and "rational" manner.

Looking back, Kanemaru's abhorrence of Nakasone goes back to the time the "issue of the 4th Defense Buildup Plan freeze" was brought up in 1972, when Kanemaru had just been selected Chair of the Diet Policy Committee at the end of the Sato Cabinet. Nakasone at the time was Chair of the Executive Council but, as Director General of the Defense Agency, he had been the one in charge of the Defense Agency draft for the 4th Defense Buildup Plan.

Therefore, Nakasone openly censured Secretary General Hori and Chair of the Diet Policy Committee Kanemaru for trying to surmount the crisis by a compromise with the opposition parties. Because Nakasone's speech is eloquent and "it is particularly forceful when he censures other people," it was natural for Kanemaru to be put out and think he was being "much persecuted."

### **"Takeshita Assistance Group" Openly Created**

As stated before, the Nakasone Cabinet was established by Kanemaru, who detests Nakasone, obtaining the support of the Tanaka faction. A system was created in which new leaders supported the administration with Rokusuke Tanaka, an advocate of generation change, as secretary general, Kanemaru as chairman of the Executive Council, his staunch friend Takeshita as Minister of Finance, and also Abe as Foreign Minister.

After this, Kanemaru changed his appraisal of Nakasone.

"I think the Nakasone of old has changed. Formerly, he was the head of a small faction and in the rivalry of chiefs like in the era of the Warring States, the most difficult task was to duck the waves somehow. He has sometimes been criticized as a weathercock. I now feel that if he had not been so, there would have been no way for Nakasone to survive with a small faction. If a candidate is not put up from our faction, it is common sense to aid Nakasone, who has presided up to now, so long as he does not misgovern."

So, in accordance with the policy of former Prime Minister Tanaka, Kanemaru became the mediator straining to accomplish the reelection of Nakasone. The former prime minister intended to continue a "Tanaka-Nakasone" Cabinet and Kanemaru was aiming at preventing a Miyasawa regime in order to create smoothly a regime of the new leaders Abe and Takeshita.

However, the conciliation repeatedly met rough going with the Nikaido support concept that had not been anticipated. The ones who supported Nikaido were the elders group of former prime ministers Suzuki, Fukuda, and Miki, Esaki from the Tanaka faction, and Hajime Tamura and others of outside groups. It was a movement to reject forced "retirement" by a change of generations.

Kanemaru's persuasion directed at Nikaido and Esaki this time was amazing.

"It's no good, no good, no good. It's no good to do that now. Since it will be decided in about two hours, you can't double-cross him. A half year or a year ago, I might have joined in the talk too, but it's no good now. If I were to go to Mejiro and get an O.K., I would reverse my decision (on reelection of Nakasone) at any time. But I cannot do that now. I have been entrusted as mediator by the executive department. Even if I quit the Diet, it would not be approved."

Ultimately, Nikaido abandoned the acceptance of support saying he would decline this time.

Kanemaru was appointed Secretary General in the position of party supervisor of the prime minister, wearing a dagger "to stab each other if the prime minister acts selfishly."

Right after he became Secretary General, he made into deputy secretary generals a powerful faction of those having Cabinet experience in each of the factions. The power of the Secretary General's office has been greatly increased by this. Also, since Koichi Hamada, self-acknowledged as "the

bodyguard of Secretary General Kanemaru," has exerted his power as Deputy Secretary General, the threat has further increased. In addition, three of the deputy secretary generals, Kaifu, Obuchi, and Mori are graduates of Waseda University and rather openly have created a Takeshita Assistance Group.

The next thing he did was challenge Kakuei Tanaka. He openly ignored Tanaka at a party and when Tanaka told a first-year Diet member that there would be a dissolution in either May or June, Secretary General Kanemaru embarrassed him by immediately stating there would be no dissolution next year. This gave the impression that Tanaka's power had decreased. The next thing he did was compile a budget for party leaders.

#### The Reason For The Flurry Of Actions

It has become apparent even to political commentators that now "Kanemaru has become the most powerful man." The Soseikai has been created. He had tried to start the Soseikai with 80 signatures, two-thirds of the Tanaka faction but there was a strong rollback by Tanaka and his close associates, and there were 40 at the first meeting. It had collected one-third of the Tanaka faction and at the time when they were prepared for a severe dispute with Tanaka in the future, Tanaka was hospitalized with a cerebral infarction.

Losing its core, the Tanaka faction split into two: the Soseikai and the non-Soseikai. When Nikaido went flower viewing with the "political enemies" of former Prime Minister Tanaka such as Miki and Fukuda, both former prime ministers, and a desire was shown for political power soliciting sponsors of the Nikaido party, Kanemaru emasculated the Nikaido party with the aid of "some 70 men."

In the midst of this, it appeared that Prime Minister Nakasone would regain leadership just with the portion of decreased pressure by the Tanaka faction, but in May with the excitement that the former prime minister would leave the hospital, the serious illness of the former prime minister and the rupture between the Tanaka family and Tanaka's close associates was clear. Seeing confidence in the group of Tanaka's close associates sway, Kanemaru again began making speeches.

Kanemaru announced that he had had a secret talk with the Prime Minister before the series of April-May holidays and advised him that "it was not necessary to call a fall extraordinary session since it would kindle dissolution of the House of Representatives and a general reelection, and that it should be delayed."

Then, he said to former Prime Minister Kishi that "it would probably be reasonable for Nakasone, after the success of the Tokyo summit, to resign after serving a full term as president of the LDP Party." He sought agreement that "After Prime Minister Nakasone, it would be strange to have someone older than him take his place."

For Prime Minister Nakasone to be elected a third time, a revision of party rules is necessary. To do that, the Prime Minister must dissolve early and strengthen his power. As opposed to that, Kanemaru has begun to create a

mutual agreement to hold back the dissolution and have the Prime Minister retire after a full term. Moreover, he is depending on the power of former Prime Minister Kishi, who is the father-in-law of Abe, to check a movement by Fukuda to again support Nikaido.

If the Fukuda faction does not swing round to support Nikaido, it will only be the Suzuki faction, Kawamoto faction, and a portion of the Tanaka faction that supports Nikaido. Moreover, it is the view of Kanemaru that the younger members of the Kawamoto faction will be unified by Kaifu for boss Takeshita.

In spite of that, however, Kanemaru's actions have been flurried. There are many observers in the political world who say that it is too early to begin to act with a eye to the political situation following this fall. Actually, Takeshita and Abe, who are the ones in question as the new leaders, have not made any speeches or displayed any actions.

Why is Kanemaru in such a hurry? People have begun to call attention to Kanemaru's state of health as the reason. If Kanemaru is successful in the "theatrics" he is promoting, there certainly is a very great possibility that there will be the birth of a new leader regime. However, the political world ahead is unknown. Moreover, it has not been decided who will be in charge of the regime first, Takeshita or Abe. If the two fight, the advantage probably will go to someone else. Kanemaru's worries still continue.

12256  
CSO: 4105/407

JPRS-JAR-85-023  
13 November 1985

POLITICAL AND SOCIOLOGICAL

INCOME, EXPENSES OF MAJOR PARTIES EXAMINED

OW021041 Tokyo KYODO in English 1019 GMT 2 Sep 85

[Text] Tokyo, Sep 2 KYODO -- Earnings and donations received by Japan's major political parties and politicians in 1984 dropped 20 percent from the previous year to 116 billion yen, with the ruling Liberal-Democratic Party (LDP) suffering a sharp 39 percent plunge in total income, according to a Ministry of Home Affairs report.

The report, to be published in the government's official bulletin Tuesday, tracks the declared income and expenditure of all major political organizations in Japan and serves as a leading indicator of the movement of political funds.

In common with the LDP, all other political parties also posted declines in receipts of political funds in a year which saw no major elections in the nation's political calendar. "This can be seen as a return to normal levels," said LDP Secretary General Shin Kanemaru, referring to the drop in the LDP's 1984 income. Three major national elections took place in 1983, which generated 30 billion yen more in declared political contributions. Despite the decline, the overall amount reported for 1984 marked the second highest in history.

According to the report, the LDP had a total income of 13.24 billion yen, down 39.7 percent from the previous year. Donations from business sources amounted to [figure indistinct] billion yen, and individuals donated 235 million yen. The LDP received 2.04 billion yen from members and earned 1.54 billion yen from publications.

Meanwhile, political funds that flowed into the coffers of five major factions within the party totaled 4.04 billion yen, almost half that for the previous year. In terms of total political earnings, however, the Japan Communist Party remained Japan's top political fund earner for the 10th year in a row. The party, which relies for more than 90 percent of its income on its own publishing business, reported an income of 21.67 billion yen [words indistinct] percent from the previous year.

Komeito reported 9.25 billion yen in receipts, down 9.1 percent, followed by the Japan Socialist Party's 6.32 billion yen, down 3.2 percent. The Democratic Socialist Party, which like the LDP gets a big chunk of its operating funds from business contributions, saw its income more than halved from 3.48 billion yen in 1983 to 1.67 billion yen in [word indistinct]. The income reported by the New Liberal Club, the LDP's small coalition partner, dropped by 25.9 percent to 420 million yen.

CSO: 4100/1005.

POLITICAL AND SOCIOLOGICAL

JPRS-JAR-85-023  
13 November 1985

EFFECTS OF PROPORTIONAL REPRESENTATION SYSTEM DISCUSSED

Tokyo SEIKAI ORAI in Japanese Sep 85 pp 50-63

[Article by Masayuki Fukuoka, Associate Professor at Komezawa University]

[Text] Two years have passed since the system of proportional representation was introduced into the House of Councilors. This revolution came about despite a great deal of controversy, but what has been the result?

After 2 years, reforming the upper house is beginning to be discussed once again. However, in the current situation, it is felt that both halves of the upper house should be elected under the proportional representation system, and next year's House of Councilors election will be carried out according to this system.

Meanwhile, however, the idea of a fundamental reform of the House of Councilors is the topic of much discussion. In particular, a large number of intellectuals have succeeded in gaining seats since the advent of the proportional representation system, but given the current political environment, in which the number of faction members determines political strength, the "weakness of the intellect" has been exposed, and the good judgement it was hoped would be brought to government by these members of the upper house has been swallowed up in the whirlpool of politics. Against this background, let us return to the basic reasons for the reform of the upper house, and comment on what purpose that body should serve.

It is a fact that until the reforms of 2 years ago, the House of Councilors was regarded as being of little importance due to its position as a "duplicate" of the House of Representatives. In fact, there is a growing trend among the world's systems of representation toward single-body systems, and upper houses filled by means of direct elections are becoming rare. As demonstrated by Table 1, 6 of 17 major nations hold direct, general elections for upper houses (Australia, Belgium, Italy, Switzerland, the United States, and Japan). The remaining nations have either a single representative body, or indirect elections.

In the face of this worldwide trend, the recent reform of the upper house raises the issue of whether its existence has any meaning on this, the eve of the 21st century.



Table 1. Lower House Electoral Systems for 16 Major Nations

<u>Nation</u>	<u>Minimum Voting Age</u>	<u>System*</u>	<u>Type of Proportional Representation*</u>	<u>Number of Seats</u>	<u>Cutoff Provision</u>	<u>Roster</u>	<u>Electoral System of Upper House*</u>
Australia	18	I		127			A
Austria	19	II	1	183		List	B
Belgium	21	II	2	212		List	A
Canada	18	I		264			C
Denmark	18	II	3	179	2%	List <sup>4</sup>	D
Finland	18	II	2	199		List <sup>5</sup>	D
France	18	I <sup>1</sup>		490			B
West Germany	18	I <sup>2</sup>	2	496	5%	List <sup>6</sup>	B
Israel	18	II		120	1%	List	D
Italy	18	II		630		List	A
Holland	18	II	4	150		List	B
Norway	18	II	3	155			B
Sweden	18	II	3	350	4%, 12%	List	D
Switzerland	20	II <sup>3</sup>	5	200			A
Great Britain	18	I		635			C <sup>7</sup>
United States	18	I		435			A

- \*Key: I. Single-candidate electoral district  
1. Two elections  
2. Proportional representation, two-vote system  
II. Proportional representation  
3. Some single-candidate electoral districts  
[Roster]  
4. Ballots may be cast for individual candidates  
5. Combined with ballots for individual candidates  
6. Three-person minimum rule  
A. Direct  
B. Indirect  
C. Nomination  
7. Includes hereditary appointment  
D. Single-house system

There is no doubt that the old "national electoral district" was very expensive. It also cannot be denied that the national district was a unique characteristic of the upper house, which was supposed to provide "good judgement in government." Despite their small numbers, examples such as those of the Ryokufu Association or Yukio Aoshima--individuals one would like to see as representatives, rather than persons of ambition--demonstrated the uniqueness of the upper house. In addition, the upper house is hardly a breeding ground for political corruption based on money, with such precedents as Yukio Aoshima's successful political campaign conducted at a cost of only 1,870 yen. It is natural that there is a great deal of opposition to changing this unique national constituency system to one based on party preference, and to the prohibition of individual candidacy.

In fact, the abolition of the national electoral district meant the self-destruction of the House of Councilors, and brought the status of representatives elected from the former regional electoral districts to a higher level than that of representatives elected under the system of proportional representation. In more precise terms, this was due to a conspicuous fall in the status of the representatives elected under the new system. This fact in itself signifies the self-destruction of the upper house. There are those who agree with the representative who stated, "If one is going to call for reform of the House of Councilors, it should be to call for its elimination."

Thus, the reform of the national electoral district raised the issue of what the functions of the upper house are. The Diet debate over reform of the national electoral district can be summed up as follows:

- Constitutional problems associated with elections based on party preference; staggered elections at 6-year intervals
- Revision of the number of electoral districts for the upper house
- The problem of advantages for large political parties under the d'Hondt formula of proportional representation
- The growing importance of political parties in the upper house
- The problem of how to determine election winners in the event of party breakups and mergers, persons switching parties or dying
- Election deposits and forfeiture thereof

Constitutional issues became the focus of debate during April and May 1982, with discussion of what constitutes a political party, centering on inquiry into the limitations on candidacy, and including discussion of the issue of restricted candidate lists and the prohibition of individual candidacies. Discussion began in earnest in June 1982, with the examination of possible contradictions inherent in a number of concrete cases.

There were a number of interesting exchanges at these committee meetings. Here is one of the most interesting. This exchange took place between Yukio Aoshima and Saburo Kanemaru, former Home Affairs Ministry vice minister. The exchange is interesting because it contrasts the cleverness of the "celebrity" representative with the adroitness of the ex-bureaucrat representative's reply.

Aoshima: "As I mentioned before the budget committee yesterday, Mr Kanemaru stated that mailing one million pieces of campaign mail costs 60 million yen, and that therefore the national electoral district is hard on the candidates. However, postage rates from any part of the country to any other part are the same. Therefore, if one million pieces of mail are to be sent, the cost to national electoral district candidates and to regional district candidates is precisely the same. I feel that you were insincere in saying that the national electoral district imposes particularly high mailing costs."

Kanemaru: "The point I was making was that currently, one cannot be elected from the national electoral district without receiving around 650,000 votes. Therefore, mailing 1 million pieces of campaign material would cost around 60 million yen. I was not referring to the size of the area over which those materials would be distributed."

As this exchange indicates, revision of the national electoral district was truly an urgent matter when one considers the fact that a single campaign mailing costs close to 100 million yen.

Let us now examine the main points of the revision.

This revision was a proportional representation system employing restricted candidate lists, and can be summarized in the following four main points:

#### 1. Limitations on Candidates

The eligibility requirements for political parties and organizations submitting candidate lists are as follows:

- i. Five or more representatives already in the Diet
- ii. At least 4 percent of the vote in the last election  
(upper or lower house)
- iii. At least 10 candidates (total) from the national electoral district and the regional districts

Thus, individual candidates unaffiliated with any political party or organization, such as the late Fusae Ichikawa, cannot stand for election; a group of at least 10 persons must be assembled.

#### 2. Elections Based on Party Preference

Voters in Japan do not write the name of a candidate for the upper house on the voting slip, but rather the name of a political party or organization. Voters look at the ordered list of candidates submitted beforehand by the political parties, and then choose the group to support. Voters cannot choose to support a particular candidate.

#### 3. The d'Hondt Formula

This is a formula for proportional representation devised by the Belgian professor d'Hondt. The formula divides the number of votes received by each party by a whole number; seats are then distributed beginning with the highest quotient and continuing until all seats have been apportioned. This system offers greater advantages to large parties than the St Ragu [phonetic] formula (division by odd numbers) proposed by the Socialist Party. However, in the case of the national electoral district, there are a total of 50 seats available, in which case there is little difference between the two systems.

#### 4. Prohibition of Individual Campaigning; Publicly Managed Elections

Individual campaigning by candidates is strictly forbidden. Political parties and organizations which have submitted candidate lists are permitted, as a group, to use posters and flyers. A limit of one campaign office per prefecture for individual candidates is permitted. In addition, candidate groups may organize political meetings and make curbside speeches. However, newspaper advertisements as well as political messages on radio and television are limited in publicly managed elections.

In addition, the issue of 4 million yen election deposits as well as other issues remain to be dealt with, but the above four points convey the substance of the reforms. Also, there is some question as to whether the European-style, restricted-list, proportional representation system is inherently suitable for the national electoral district, in view of the traditional emphasis in Japan on personal and factional politics. The question of how this will affect Japanese politics in the future is a current focus of intense interest.

In a parliamentary democracy, revision of the electoral system is in fact a revolutionary act. Historically, peacetime changes of electoral systems have been rare. For the politicians whose fate is decided by the election results, there is often resistance to changes in the electoral system. Also, there are always good and bad points in any system, whether it be the proportional representation system or any other; there are no perfect systems. The history of the proportional representation system, which "reflects the will of the people as if in a mirror," goes back to ancient Greece. The number of councilors in the Athenian Assembly from each province was determined by the population of those provinces. This principle of political fairness was at the foundation of ancient Greek democracy, and is a basic doctrine of today's parliamentary democracy. The logical system of proportional representation was used as an actual electoral system in 1900 in Belgium, and is now the most widely used electoral system in Europe.

It is said that the number of proportional representation systems is proportional to the number of persons who support the basic concept. Each nation is different in terms of history, political parties, and the number and size of its electoral districts. However, this system is the dominant one in Europe, and its adoption is also under consideration in England, the homeland of parliamentary democracy.

Thus, with the present proliferation of outlooks and increasing individualism, England's move may mean that a political system dominated by two parties can no longer effectively respond to the will of the people.

The d'Hondt system recently presented by the LDP and subsequently adopted, divides each party's total votes by a whole number. The party with the highest quotient receives the first seat, and the seats are distributed to the other parties, in order, until all the seats have been filled. For example, let us say that party A receives 1,000 votes and party B, 700 votes. If the number of available seats is 3, party A receives the first seat. Next, party B's total of 700 votes is greater than party A's 1,000 votes divided by

2 (500); thus, party B gets the next seat. The third seat goes to party A since their vote total of 1,000/2 is larger than party B's vote total of 700/2. This d'Hondt formula, developed by a Belgian professor and used in Belgium, has been adopted by West Germany, Spain, Portugal, Holland and many other countries.

However, the d'Hondt system, while it may at first appear to be logical, raises the possibility of confusion as a result of the proliferation of small parties --a consequence of the system reflecting the public will very closely. The system may also result in an unstable political situation. However, this flaw in the system is said to have been solved by West Germany's cutoff provisions, based on the "lesson of Hitler." In West Germany, parties receiving less than 5 percent of the vote, or winning less than three elections in single-candidate electoral districts, do not receive any seats. This is known as the "Five Percent/Three Person Rule." These cutoff provisions are a means of avoiding political destabilization resulting from the proliferation of small, weak political parties, and is based on the judgement that such a political environment allowed Hitler to rise to power. Sweden also has a 4 percent cutoff provision, while in Denmark, the cutoff is 2 percent, and in Israel, 1 percent.

However, in Denmark and Israel the number of political parties is 10 or more. In Italy, where political instability is a way of life, no such cutoff provision is in force at all, and the amount of time the country is without a cabinet is extremely great, both in comparison to other countries and in terms of comparative politics. In the case of the 1983 House of Councilors proportional representation election, the New Salaryman Party received 199,000 votes, or 4 percent of the total. With this in mind, there is a growing feeling that a cutoff provision of 3 or 4 percent is necessary.

The proposed revision of the Publicly Managed Election Law was presented to the regular session of the House of Councilors on 14 October 1981. After an explanation of the bill by its sponsor, Saburo Kanemaru (LDP), questions were posed by Tomoyuki Fukuma (Socialist Party), Kiyoyuki Okawa (Komeito), Tadataka Kondo (Communist Party) and Michikazu Etani (Democratic Socialist Party).

The reasons given by Kanemaru for sponsoring the bill were: introduction of a system which would make it easier for persons suited for service in the upper house to be elected; changing the system from one based on candidate preference to one based on party preference, and reduction of the huge costs associated with elections. In order to achieve this, Kanemaru promoted the restricted-list, proportional representation system based on party preference.

The proposal was immediately (16 October) sent to the Special Committee for Revision of Public Election Laws. After a second explanation by Kanemaru, questions were posed by Sadamitsu Miyanohara (Socialist Party), and Masakuni Murakami (LDP) on 21 October. After further questioning on 4 November by Shogo Tada (Komeito), the bill was set aside until the next Diet session by a majority vote of LDP and Socialist representatives, on 25 November. In the 95th Diet session, the bill left the committee after only 3 hours of discussion dominated by the LDP and Socialist committee members.

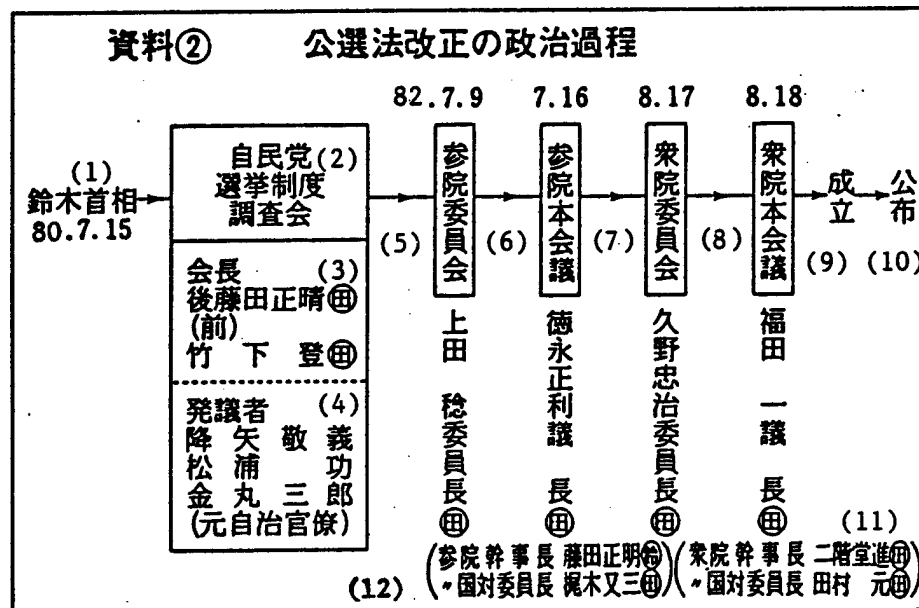


Figure 1. Progress of the Revised Public Elections Law Through the Diet

- Key:
1. Prime Minister Suzuki
  2. LDP Investigative Committee for Electoral Systems
  3. Masaharu Gotoda, Chairman;\* Noboru Takeshita, Former Chairman\*
  4. Sponsors: Takayoshi Yano, Isamu Matsuura, Saburo Kanemaru (all former Ministry of Home Affairs bureaucrats)
  5. House of Councilors Committee (Minoru Ueda, Chairman)\*
  6. House of Councilors Full Session (Masatoshi Tokunaga, Speaker)\*
  7. House of Representatives Committee (Tadaharu Kuno, Chairman)\*
  8. House of Representatives Full Session (Hajime Fukuda, Speaker)\*
  9. Passage
  10. Issuance
  11. House of Councilors Chief Secretary, Masaaki Fujita\*\*  
Diet Policy Committee Chairman, Matazo Kajiki
  12. House of Representatives Chief Secretary, Susumu Nikaido\*  
Diet Policy Committee Chairman, Gen Tamura

In this way, the Komeito, Communist, and Social Democratic Parties proposed separate discussions on such topics as "the function of the House of Councilors," "Constitutional problems," etc. Furthermore, the question of fairness to small parties which did not have members on the committees was also discussed. A number of directoral and factional meetings were held, but in the end, discussion of the bill was put off until the 96th session of the Diet, as noted previously.

\*Tanaka faction  
\*\*Suzuki faction

There are two major elements which can be discerned in the process by which the proposed revision of the Public Elections Law was passed. One is that three of the five sponsors of the bill, as well as the chairman of the LDP's Investigative Committee for Electoral Systems [ICES], were former bureaucrats from the Ministry of Home Affairs [MHA]; the other is that the Diet positions important for passage of the bill, including the special committees in both houses, were controlled by members of the Tanaka faction.

Figure 1 depicts in graphic form the sequence leading up to the passage of the bill, with a focus on the various forums of deliberation.

The figure shows how members of the Tanaka faction were cleverly positioned with respect to the process of passing the bill, in the ICES as well as on the committees and full sessions of both houses. It also appears that the Tanaka faction has moved away from the personal control of Tanaka himself, and is proceeding on its own as an organization. Viewed in this way, the myth of "control" by Tanaka over passage of the bill becomes apparent. One can also see the importance of the activities of Masaharu Gotoda, chairman of the ICES. If the revision of the Public Elections Law was achieved through a coalition of the Tanaka faction and former bureaucrats from the MHA, then one can say that Gotoda played an important role at the point of contact between the two groups.

Three of the sponsors--Saburo Kanemaru (Fukuda faction), Takayoshi Yano (Fukuda faction) and Isamu Matsuura (Tanaka faction)--are former MHA bureaucrats who formed a group within the Elections Dept. Masaharu Gotoda is also a former MHA bureaucrat who served, in addition, as head of the ministry.

If one views the political process as "determined by personal links between members of the inner circles of the dominant political groups" (Masao Maruyama), then these two groups are the most important factors in the passage of the bill, and Masaharu Gotoda becomes the fulcrum point in the political dynamics: and the motive force for passage of the bill was provided by the skillful replies in the Diet of the former MHA bureaucrats, who guided the discussion of the bill, and by the solidarity and spadework of the Tanaka faction.

Unlike most proposed measures, the revision of the Public Elections Law involved the direct interests of the political parties and representatives, and thus its passage was fraught with complications. It is natural that party and personal interests would become involved, and the proposal raised the possibility of major changes in Japan's political customs, party politics, and the two-house parliamentary system.

In any event, the revised law, the result of a joint operation between former MHA bureaucrats and Tanaka faction members, changed Japan's 100-year-old, candidate-centered electoral system to an electoral system based on party preference.

The opposition parties, particularly the largest opposition party, the Socialists, were basically in agreement concerning this bill. The division between apparent stance and actual opinion which has existed within the party since the 1955 consolidation was apparent during the passage of the bill. In the words of Takayoshi Yano, secretary of the Komeito Party, a "depression cartel" of the LDP and the Socialist Party propelled the bill through the Diet.

The Komeito Party continued to take a completely opposing stance to passage of the bill, in line with their basic party policy. As if dragged along by this, the Democratic Socialists maintained their posture of complete opposition, but the party ultimately agreed to the idea of the reforms, albeit weakly, because of their alliances with other parties and problems with party finances.

The basic outlook of the Communist Party concerning election systems is in accord with the proportional representation system, but was opposed to its introduction into the House of Councilors. That is, they opposed the bill because it was introduced by the LDP; and because it was supported by the Socialist Party, a revolutionary party, the Communists' distrust of the Socialists deepened.

The New Liberal Club and the Social Democratic Union, engaged in an effort to resurrect the moderate center, were faced with a difficult choice. Both parties were fundamentally indifferent to passage of the bill, and though they took an ostensible stance of opposition, in the end they allowed themselves to be swayed by the majority.

In response, there was a movement among the political mini-parties to merge in order to run against the already established parties. At the same time, there were those who felt that such a coalition would actually have a negative effect. In the end, the movement to form a coalition foundered on an amateurishly handled dispute over who would occupy the first place on the list of candidates, leading to a further multiplication of mini-parties.

Viewed as a whole, it seems reasonable to state that passage of the bill was determined by the cooperation between the LDP and their "docile" partners, the Socialists, and that the opposition, centering on the Komeito and Democratic Socialist Parties, offered strong resistance to this collusion between the LDP and the Socialists.

With regard to the revision of the number of seats in the upper house, there are those who feel that this will also be carried out relatively smoothly, despite the problems such reform presents. Fundamentally, it does not present great disadvantages for the LDP or the Socialists.

The results of the 1983 elections were unexpected. Contrary to the expectations of the LDP, the party won only 19 seats under the proportional representation system.

As shown in Table 2, the LDP received only 16 million votes in the national constituency (compared to their total of nearly 24 million in the previous election) due to the unusually low voter turnout. This caused their support to fall to 35 percent and 19 election victories, a serious setback.

The Komeito Party, which had been thoroughly opposed to the proportional representation system from the start, received 7.3 million votes (previous total: 6.6 million) and 8 Diet seats, despite their previous expectations of a setback.



Table 2. Results of the 13th House of Councilors Elections (26 June 1983)

	<u>District</u>	<u>Votes Received</u>	<u>% of Total</u>	<u>Candidates Elected</u>
Liberal Democratic Party	A	16,441,437	35.33	19
Liberal National Congress [electoral alliance]	B	19,975,033	43.23	49
Socialist Party	A	7,590,331	16.31	9
	B	11,217,515	24.28	13
Komeito Party	A	7,314,465	15.72	8
National Congress [electoral alliance]	B	3,615,994	7.83	6
Japan Communist Party	A	4,163,997	8.95	5
	B	4,859,333	10.52	2
Democratic Socialist Party	A	3,888,429	8.36	4
National Federation	B	2,638,780	5.71	2
New Liberal Club	A	1,239,169*	2.66*	1*
	B	563,811*	1.22*	1*
Social Democratic Federation				
New Salaryman Party	A	1,999,244	4.30	2
	-	--	--	-
Welfare Party	A	1,577,630	3.39	1
	-	--	--	-
Two House Club	A	1,142,349	2.46	1
	-	--	--	-
Unaffiliated Citizen's Federation	A	509,104	1.09	0
	-	--	--	-
Various Factions,	A	515,445	1.10	0
	B	3,329,853	7.3	3
Eligible Voters as of Election Day		83,682,416		
Voter Turnout, National Constituency		57.00%		
Valid Ballots		46,536,928		
Voter Turnout, Individual Candidacies		57.00%		
Valid Ballots		46,200,325		
Key: A. Proportional Representation				
B. Individual Candidacies				
* Both Parties				

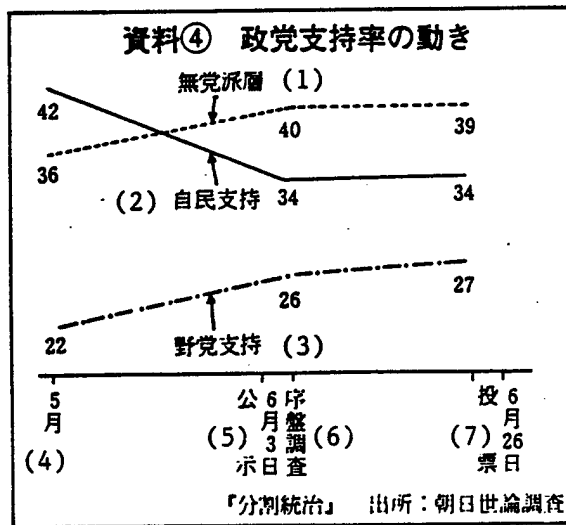


Figure 2. Changes in Political Party Support

- Key:
1. Unaffiliated Groups
  2. LDP Support
  3. Opposition Party Support
  4. May 1983
  5. 3 June 1985: Announcement of Elections
  6. Survey
  7. 26 June 1985: Election

Source: "Divided Government," published by ASAHI PUBLIC OPINION SURVEYS

The Communist Party, which was basically sympathetic to the introduction of the new system, held on with 5 seats.

Among the mini-parties, the New Salaryman Party made particularly great progress, capturing 4.3 percent of the vote and 2 seats in the Diet.

Behind these election results was a decline in the power of the LDP, as shown in Figure 2. In a survey taken immediately after the announcement of elections, LDP support had dropped from its May level of 42 percent to 34 percent, while opposition support had climbed from 22 to 26 percent. This means that the release of the LDP candidate list just before the announcement of elections had an unexpected effect. In hindsight, it appears that this list gave the impression of control by Tanaka. This was criticized by the news media, in turn having an effect on the attitude of the public. This resulted in an unexpectedly difficult campaign for the LDP, and the victories in the regional districts were offset by the losses in the national constituency. This can be seen clearly in Table 3. From the large urban centers to the thinly populated rural areas, the LDP lost approximately 30 percent of its support on average.

Table 3. Percent Change from 1980 Elections in Votes Cast, By Party and Population Center

	Liberal Democrats	Socialists	Komeito	Communists	Democratic Socialists	Percent Decline in Valid Ballots
Large Cities	-31	-1	+13	+ 3	+27	-17
Cities	-35	-3	+15.8	- 6.1	+28.8	-19
Medium Towns	-31	+5.7	+ 9.0	+ 7.8	- 6	-17
Farm Villages I	-29	+8.6	+ 4.4	+11.5	+ 7.4	-16
Farm Villages II	-29	+8.6	+ 0.4	+ 6.5	+ 3.3	-16
Total	-31	+3.6	+ 9.6	+ 2.2	+15.5	-17

Source: "Divided Government"

In contrast, the opposition parties increased their vote totals overall from the previous elections, despite the low voter turnout. This clearly shows the extent of public resistance to the LDP's candidate list.

Next, let us analyze this phenomenon over time. Figure 3 shows the changes in vote totals for each party over time. The figure reveals something of what lies behind the LDP's success in obtaining only 19 seats. Large changes can be seen in the LDP's vote totals. In the last elections, the number of LDP celebrity candidates--individuals with high vote-drawing potential--was comparatively small. In the 1980 elections, when the LDP vote total much higher, the number of celebrity candidates was also higher, though there was also the factor of higher voter turnout. Candidates at that time included Teru Miyata, Akiko Santo, Yoshiko Yamaguchi, and Eizaburo Saito. The dotted line in the figure shows the LDP and Socialist vote totals after subtracting the votes received by the celebrity candidates from those parties. One can thus see that the LDP's basic vote-drawing strength lies in the range of about 17 million, plus or minus 1 million. It thus seems likely that the LDP would received between 16 and 20 million votes under a proportional representation system. Drawing more than 20 million votes will not be easy, and may only be possible due to increased voter turnout.

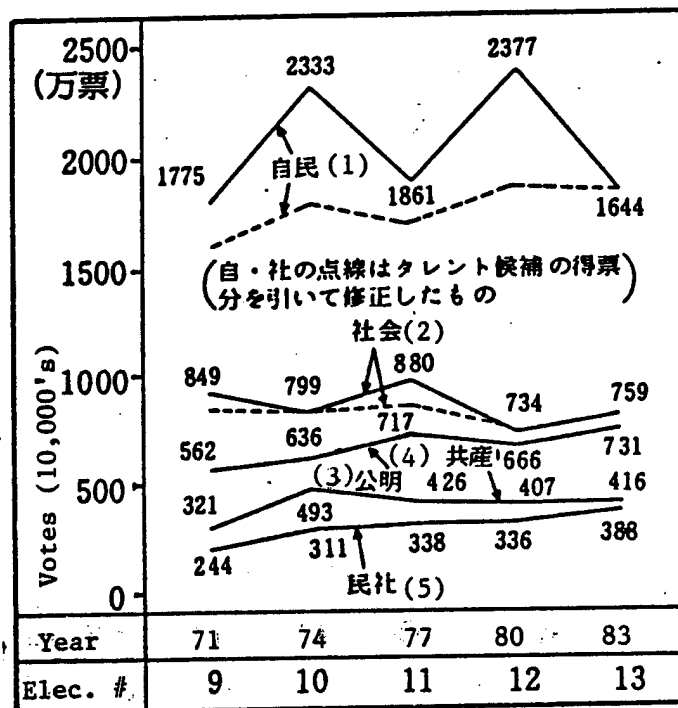


Figure 3. Changes in Upper House Election Vote Totals by Party

- Key:
1. Liberal Democratic Party
  2. Socialist Party
  3. Komeito Party
  4. Communist Party
  5. Democratic Socialist Party

Note: Dotted lines for LDP and Socialists indicate vote totals after subtracting votes received by "celebrity" candidates.

After subtracting the total votes received by such celebrity candidates as Hideo Den, the Socialists' vote total has remained steady at around 7.5 plus or minus 0.5 million. The Komeito party, which polled over 7 million votes in the last elections, has consolidated its strength at around 7 million plus or minus 0.5 million.

The Communist Party can be expected to poll around 4 million votes, plus or minus about 0.3 million. The Democratic Socialists ended the last election with under 4 million votes, but the party is gaining strength, and they can be considered capable of drawing around 4 million votes, plus or minus 0.2 million.

Thus, the polling strength of the opposition parties seems to have stabilized, and it seems that distribution of Diet seats under the d'Hondt formula will not be all that difficult, with the exception of the LDP, which is highly dependent on voter turnout. It also seems reasonable to state that levels of support for

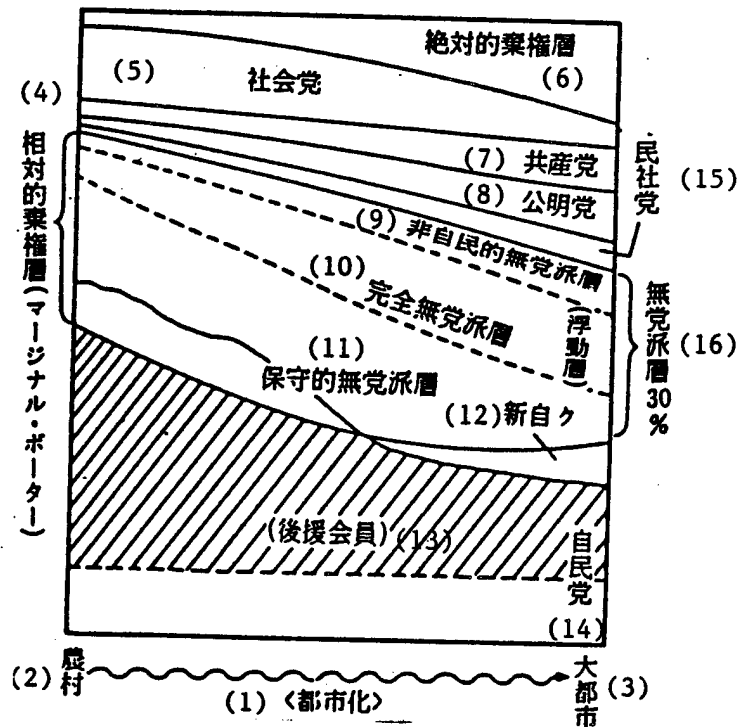


Figure 4. Political Makeup of the Electorate

- |      |                        |                                           |
|------|------------------------|-------------------------------------------|
| Key: | 1. Urbanization        | 9. Non-LDP Uncommitted Voters             |
|      | 2. Rural Areas         | 10. Completely Uncommitted Voters         |
|      | 3. Large Urban Centers | 11. Conservative Uncommitted Voters       |
|      | 4. Marginal Voters     | 12. New Liberal Club                      |
|      | 5. Socialist Party     | 13. Members of LDP Support Groups         |
|      | 6. Absolute Non-Voters | 14. Liberal Democratic Party              |
|      | 7. Communist Party     | 15. Democratic Socialist Party            |
|      | 8. Komeito Party       | 16. Total Uncommitted Voters (30 percent) |

the various parties will depend more on the extent to which the mini-parties can assemble attractive policies and candidate lists.

In view of this, future campaigns will probably be based on a strong appeal to voters through easily understood policies and fresh names. Thus, uncommitted voters will play an important part in future elections. These uncommitted voters have fluid voting patterns and often change preferences, so future predictions of election outcomes will have to be made with great caution.

The introduction of the proportional representation system in 1983 was expected to bring great changes to the House of Councilors. In fact, about 10 additional former scholars were able to gain seats. However, there is still disagreement over whether those successful candidates, including those who appeared at the top of their party's list, are playing an important role in the upper house. As a result, with the approach of the next upper house election, there

is debate over whether to use the proportional representational system once again, despite its unclear merits, or whether the system should be abolished along with the national constituency; there are even those who argue that the upper house be done away with entirely.

There are three elements which form the basis of the arguments for abolishing the upper house.

First of all, the upper house is no longer useful. In addition, it has become a tool of the LDP's political warfare. Looked at in this way, the House of Councilors, which was supposed to provide good sense in government, has lost its independent existence as a result of being sucked into the whirlpool of factional politics.

Second, the House of Councilors is a relic of the past which has little meaning in the modern information society.

It is true that the upper house has historically functioned effectively to limit the excesses of the House of Representatives or to appeal directly to the public.

However, in the present information society of television and newspapers, political information is transmitted to the public in large amounts. The restraining function of the upper house has declined as its deliberative process becomes more and more a "carbon copy" of that in the lower house. There are some who view this as indeed useless, and also those who feel that the upper house has been left behind by the flow of history.

Finally, we are currently living in an age of reform. Even in the regional assemblies, reduction of the number of seats is a topic of much discussion. If there will be little harm in abolishing the national constituency for the House of Councilors, then it will probably be considered.

In addition, not only the national constituency, but also the House of Councilors itself have little meaning. Rather, it might be better to let the upper house remain by turning it into an "honorary assembly" for members of the House of Representatives who have passed that body's retirement age of 65.

Thus, no matter how one views the issue, the need for an upper house has declined with the changing times, and that body is not fulfilling any function.

When the proportional representation system was introduced with much fanfare, the political parties were very deliberate about placing intellectuals at the top of their candidate lists. In spite of this, the activities of those representatives have made no impact whatsoever in the upper house. Thus, it does seem that one must question the need for an upper house.

The next upper house election is already less than a year away. The political parties are already making preparations, and have already released their first candidate lists. In the LDP, collection of party dues and expansion of party membership has become involved with the issue of the LDP presidential primaries.

The factions are busy with preparations for the party's list, and proxy payments by the factions for their members will perpetuate the image of money politics.

The opposition parties have also begun the process of assembling their candidate lists. While the Socialists, Democratic Socialists and Communists are the champions of the labor unions, the Komeito Party is proceeding on the assumption that it will again place intellectuals at the top of its list, in view of the favorable results obtained in the last elections. Thus, the Komeito candidate list is causing more of a stir among some intellectuals than the lists of the other parties.

The mini-parties, their very survival in question, are maneuvering determinedly in anticipation of the coming elections.

However, there are those who feel that the second half of the upper house should be elected according to the present system, after which time the system should be restored to its former state.

However, it is basically unthinkable that the proportional representation system should be changed once again, much less abolished. Thus, it is likely that this system, which is "harmless to man and beast," will be continued.

In any case, although there is some possibility among the mini-parties of a reprise of the New Salaryman Party's performance in the last elections, the general public is currently completely indifferent to these groups.

Looked at in this way, one can see that elections have a decisive role to play in the determination of the composition of democratic government. At the very least, when planning changes in government under the current system of democracy, elections have a great significance, and changes based on comparisons with other nations will have important significance for Japan's future political situation. Whether under a parliamentary cabinet system or a presidential system, the central elements of a political system are determined by elections. The democratic system has changed our system of choosing officials from one of mortal combat to one of mutual interchange--"from bullets to ballots." Democracy is time-consuming and inconvenient; but decisions must be made with mutual respect for various basic realities and through a mutual consensus based on thorough mutual interchange. At the same time, has the time not come to consider rationalization and increased efficiency for the Diet?

In that sense, elections and voting are not simply a by-product of democratic government, but rather must be an indispensable element in activating democratic government.

Thus, as long as the House of Councilors exists, there is a need for large issues to be raised by that House. If the upper house becomes a prisoner of partisan politics, it will probably become a "synonym for uselessness."

What is needed from the House of Councilors is a political vision which transcends party and faction, and some sort of incentive for the future political course of Japan.

POLITICAL AND SOCIOLOGICAL

NUCLEAR POWER TREATY WITH CHINA ANALYZED

Tokyo SEKAI in Japanese Oct 85 pp 16-19

[Article by Jinzaburo Takagi, Nuclear Power Information Room]

[Text] The Japan-China Nuclear Power Treaty, providing for cooperation between the two nations in all facets of nuclear power application, was signed by the two governments on 31 July 1985. (The treaty stipulates, however, that a separate compact will be required for fields directly related to the production of raw materials for nuclear warheads, such as uranium enrichment, fuel reprocessing, deuterium production, and plutonium transfer.)

The Japanese mass media has been virtually unanimous in commenting on the treaty favorably, saying that it has paved the way for the exportation of nuclear power generation technology while permitting Japan to continue to negotiate with China on ways to ensure the peaceful use of atomic power.

I, however, think that it is not all that rosy; rather, it is my opinion that the treaty contains much to be examined critically from the standpoint of safeguarding the true friendship between the peoples of Japan and China. Deferring the content of the treaty to later discussion, let us review its background.

The topic of a nuclear power treaty first came up, it is said, during the third Japan-China cabinet-level meeting held in Beijing in September 1983. Two years preceding that, in September 1981, the memorandum of understanding concerning "Cooperation in the Area of Peaceful Use of Atomic Power" was signed between the Japan Atomic Power Industry Congress and the Chinese People's Republic Second Mechanical Industry Division. Apparently China has been interested in the "peaceful use" of nuclear power since February 1970, when then Premier Zhou Enlai directed that an atomic power plant be constructed in the vicinity of Shanghai. It was not until the late 1970's, however, that the plan took on a concrete form when the "modernization" program got under way.

A goal of the "modernization" program was to quadruple the gross national product during the 20-year span between 1980 and 2000. Consequently, the assumption was that electrical generating capacity would also be quadrupled,



and that 10 million kilowatts out of the anticipated 180 million kilowatts required would come from atomic power.

For the planned atomic power development, China has been signing memorandums of understanding, and treaties with several nations, since inking a memorandum with France in May 1983. Its objective has been to bring down costs by having other countries compete for business with China.

Japan, as well as other nations, is expecting much from the Chinese market, given the fact that their domestic demand for nuclear power construction has tapered off. Considering the level of demand that can be anticipated, however, their expectations might be a little excessive.

The Chinese atomic power construction program, as known to this date, includes four sites and seven reactors. The first project is the Taishan power plant in Zhejiang Province (pressurized water type, 300,000 kW); construction started in January 1985, with operation to begin in 1989. Originally the plant was to be developed independently as part of the project laid out by the aforementioned Zhou Enlai directives, but subsequently it was decided to import foreign technology for the supply of more difficult-to-develop equipment. From Japan, Mitsubishi Heavy Industry signed a contract to export pressurized containers in May 1984.

The Guangdong atomic energy project, a joint venture between Hong Kong and the Province of Guangdong, calls for two 900,000 kW pressurized water atomic power plants to be built on the border between the two areas, and is aiming for a start of operation by 1991. Seventy percent of the power output from that facility will be sent to Hong Kong. Its nuclear reactors will be supplied by France, while turbine power generators will come from England.

Further, Zhejiang Province has a Huadong (Sunan) nuclear power project, and Liaoning Province has a Huabei (Dongbei) project. Each anticipates acquiring two 1-mega kW pressurized power generators. France and West Germany are making strong sales pitches for both projects. In addition, the construction of two power pressurized water-type power plants (each with a 26,000 kW capacity) for supplying electricity and thermal energy to the Jinshan petrochemical combine in Shanghai is being planned for independent development.

Such are the contents of the Chinese nuclear power development plan, as far as we are able to determine. Given the enormous resource requirements of nuclear projects, it is unlikely that the projects will proceed at the planned pace, and it is inconceivable that they will generate sufficient demand to be of help in turning around the nuclear industries of the various nations. Even if the Chinese Government continued to maintain a policy of giving extremely high priority to nuclear power generation, its primary interest would be the development of independent technology, rather than indefinite reliance on imports. According to a magazine article by Vice Premier Li Peng, quoted in RENMIN RIBAO on 30 April 1985, "when selecting a foreign firm as a supply source for equipment, whether that company will be willing to sell the technology to us will be an important criterion."

It is under this climate that the Japanese nuclear industry, spurred into action by the inking of the treaty, is trying to get on the Chinese market bandwagon. However, regardless of whether the Japanese corporations want to go alone or in some tieup with firms in the United States which signed a similar treaty a step ahead of Japan (July 1985), it seems that they have missed the boat. It appears that while MITI and Japanese nuclear reactor makers have been thinking of the Huadong project as a catchup game, international business competition for the project has already started. Given the lack of other major projects in the world, the competition for the Chinese market will be fierce indeed. Although it has some accomplishments in exporting pressurized containers and related items, there is no denying that the Japanese atomic power industry is basically weak as an export industry. Some contend that Japan has "overtaken America in nuclear technology," but the makers themselves say that "it is a totally mistaken notion" (Executive Director Yuzo Itaji of Mitsubishi Heavy Industry, KIKAI SHINKO, November 1983).

Will China be able to accomplish its ambitious large-scale nuclear power projects, to begin with? There are reasons to doubt it, as evidenced by the publication of an article entitled "Concerning the Decline of the World Atomic Energy Industry" by Yang Haijun, a member of the Chinese State Planning Commission Economic Research Institute, in the Chinese language magazine WORLD ECONOMY (September 1984; translation into Japanese available in the Japanese Library of Congress, code "Re No 4).

The Yang article, while acknowledging much indebtedness to Lester Brown and other atomic power skeptics at the U.S. World Watch Institute, unequivocally makes a negative assessment of the future of atomic energy from economic and safety points of view. As the British science journal NEW SCIENTIST (14 February 1985), which featured the article, has pointed out, the fact that such a paper has been published in China at all appears to be indicative of the support of high level officials.

The Yang paper boldly suggests that the Guangdong atomic power generation project, the first such large-scale undertaking in China, should be the last, adding that without introducing further atomic power China should experience no trouble in meeting its power supply needs. (Even if the Chinese Government's plan for construction of 180 mega kW of power plants over the next 20 years were taken at face value, the atomic power generated would amount to only a few percent of the total supply). Certainly the Yang article makes a persuasive case that, instead of pushing for atomic energy requiring enormous sums of capital and the importation of foreign technology, the government should allocate capital and human resources toward energy-saving technology and the development of new energy sources. It would seem that the concept of the "soft path," relying on the development of small-scale multiple sources of naturally available energy in a manner that takes full advantage of China's vast human resources and particular natural environment is a more realistic goal, so far as the goal of attaining energy sufficiency is concerned.

Such philosophy is gaining support within China. Since, naturally, China would be concerned about the problem of waste disposal and other issues which the advanced nations are faced with, Japan should not view China simply as a

market for atomic energy development. Further, whether the atomic power project pushed forth by the Chinese Government will receive genuine public acceptance is doubtful. In fact, the Guangdong atomic power project has stirred up much concern in Hong Kong, with antinuclear movements starting up among its population of more than 1 million, packed in an area 50 kilometers wide. (A group called "IOCNE"[expansion unknown] is conducting an active anti-nuclear campaign).

Concerning the issue of safety, there are certain points that must be made clear. As a means of securing capital resources for its atomic power projects, the Chinese Government has indicated a plan to accept the job of storing spent atomic fuels and other wastes, in addition to supplying uranium and other nonferrous metals on a barter basis. It is rumored that such a plan exists between China and Japan, but the most concrete plan to date has been that negotiated with West Germany, wherein spent fuel from the latter country would be stored in the Gobi desert. Apparently the negotiation of the plan with West German firms has moved ahead, but has not received approval of the West Germany Government.

The radiation from atomic wastes is so hot that West German industry is willing to pay as much as 400 million yen per ton in order to avoid storage within their own backyards. If China is willing to accept the storage in the Gobi desert, what degree of safety assurance and technological capability does it possess? If the storage of 1,500 tons of wastes, as rumored, becomes a reality, the inherent risk to human life due to accidents must be of great concern to the Chinese people, as well as to the Japanese people who will find themselves downwind to the radiation source. It is only natural that scientists in Mongolia should declare their opposition to the plan, as they have done.

As a final point, we need to discuss the issue of ensuring that the technology will be put solely to "peaceful use," which has been the focus of the recent treaty. Section 4 of the treaty stipulates that "cooperation based on the treaty will be carried out exclusively for peaceful purposes," and that each nation, "in accordance with its own peculiar circumstances, will request the international atomic energy organizations to apply safety assurance rules in their respective jurisdictions." Further, Section 5 provides that neither party to the treaty may transfer nuclear material, facilities, or any other items, received from the other party to anywhere outside of its jurisdiction without "prior written concurrence" from the other party.

In the event of a treaty violation, one safeguard would be a proviso that the items improperly transferred be returned to the original supplying nation. It was reported that at the time of the preliminary signing of the treaty on 5 July 1985, China acknowledged the need for such a proviso, but it was never written into the treaty. Further, the body of the treaty contains no restrictions on cooperation in the areas of uranium enrichment, fuel reprocessing, deuterium production, and plutonium transfer; whatever agreements reached between the two governments in these areas are included only in the "Record of Concurred Upon Items."

China is one of the nations that have declared a refusal to sign the Nuclear Non-Proliferation Treaty. In view of this fact, treaty provisions to ensure "peaceful" use should be as tight as possible. Also, a "transfer to third party" should be subject to more stringent control. Surprisingly, however, some members of the Japanese Atomic Energy Commission are of the opinion that in exporting nuclear technology to nations that already have atomic warheads Japan should relax the requirement of a guarantee for "peaceful use." Says Masahiro Nishibori, a committee member: "Japan has an image to protect as a peaceful nation. On the other hand there are mundane considerations of gaining trade advantages by relaxing the conditions for use of nuclear technology. Which of the two criteria will be more consistent with our national interest should be judged on a case by case basis." (At a seminar on "Atomic Energy Commerce and Nuclear Non-Proliferation" held in May 1984, under the sponsorship of the Japan Atomic Energy Industry Congress).

If the peaceful use of atomic power is considered only as a matter of protecting a "national image," it seems almost inevitable that it will give way to more "mundane" interests. Although space did not permit its discussion, nuclear proliferation through atomic power use is becoming a source of great concern worldwide. It is for this reason that the issue should be addressed with firm, specific policies, rather than as an image problem.

In conclusion, there are many issues concerning the Japan-China Atomic Power Treaty and the surrounding Japanese-Chinese relations that merit our serious attention before they get out of hand. It is my belief that if we desire to promote genuine friendship between the Japanese and Chinese peoples, we must lay out, completely and clearly, the various problems that we have experienced firsthand with atomic energy, to help enable China to make appropriate decisions regarding its future energy supply.

12743  
CSO: 4105/422

JPRS-JAR-85-023  
13 November 1985

ECONOMIC

AMBASSADOR TO THAILAND ON TRADE POLICY, ACTION PROGRAM

Bangkok MATICHON in Thai 9 Sep 85 p 3

[Interview with Masatada Tachibana, the Japanese Ambassador to Thailand; date and place not specified]

[Text] Biography of Masatada Tachibana: He was born in Tokyo in 1922. He received his bachelor of law degree from Tokyo University in 1944 and went to work for the Ministry of Foreign Affairs in 1945. He served as consul in Sidney and Hong Kong. He was embassy advisor in Austria. As for his work in the Japanese Ministry of Foreign Affairs, he has held several important positions, such as deputy chief of the Office for American Affairs and the chief of the Research and Planning Section. Before he became the ambassador to Thailand, he served as the Japanese ambassador to Denmark and Burma. On the afternoon of 5 October, a MATICHON reporter had an opportunity to interview Mr Masatada Tachibana, the Japanese ambassador to Thailand. In particular, he was asked about trade relations between Thailand and Japan. The following is an excerpt from the interview.

[Question] Recently, the Japanese government announced that it has implemented an action program. How important is this and will this help open up Japanese markets?

[Answer] The Japanese government announced the implementation of an action program this past June and July. Elements of this program include reducing both tariff and non-tariff trade barriers.

As for tariff trade barriers, the action program includes lowering the tariffs on 1,863 items, including agricultural and industrial goods. Tariffs on most items will be reduced by 20 percent, and in some cases even more.

As for non-tariff trade barriers, we will look for ways to make it easier for foreign goods to enter Japan. With the cooperation of other countries, standards will be set for goods entering Japan.

In the present economic situation, many countries are encountering more trade protectionism. Japan feels that it must oppose trade protectionism. Japan has unilaterally taken action to open up its markets more as compared with before. Because of this action program, Japan will be one of the most open markets in the world.

[Question] Can you tell us how long it will be before that becomes a reality?

[Answer] The action program is a government program. There are still many points that must be approved by the Diet. I think that this program will be approved by the beginning of next year.

I said that this program will make Japan one of the most open markets in the world. For example, based on this action program, the tariff rate will drop to just 3 percent in 1987, which is below the average rate imposed by the United States and the European countries.

[Question] What about the not-tariff trade barriers?

[Answer] First, I would like you to understand that changes in both tariff and non-tariff trade barriers must be approved by the Diet. At present, the government is working very hard in order to revise the laws.

[Question] Many countries are not satisfied with this action program since it focuses mainly on reducing tariffs and gives little attention to non-tariff trade barriers.

[Answer] It is difficult to talk about non-tariff trade barriers. When this is discussed in Japan, you sometimes encounter language or psychological obstacles. Take cosmetics, for example. People have long complained that it is very difficult to export cosmetics to Japan. The French Coty and the U.S. Lauder cosmetics are checked very carefully since the skin of Japanese women seem to be very sensitive to these cosmetics. But from now on, we will allow these products to enter the country after they have been inspected by officials in those countries. It will no longer be necessary for these items to pass a Japanese inspection.

[Question] Will you accept the standards of other Asian countries or only those of the Western countries?

[Answer] The quality-control inspections made by a country must be accepted by other countries. Good inspections will be accepted by other countries.

[Question] What about quality-control inspections made by Thailand?

[Answer] Some of the items approved by Thailand are accepted in Japan. But in some cases, such as in the case of aflatoxin in corn, we have to check the items ourselves to ensure that they meet the standards. We have to work together with Thailand to check things. There must be technical cooperation in

[Question] How will this action program benefit Thailand?

[Answer] The import duty on boneless chicken will be reduced from 18 percent to 14 percent. The duty on castor oil will be reduced from 9 percent to 7.2 percent. The duty on canned pineapple will drop from 35 percent to 28 percent, and that on precious stones will be reduced from 3.2 percent to zero.

In the case of corn containing aflatoxin and fruit containing worms and other insects, which are prohibited from entering Japan, this September, we will send two teams of experts to cooperate with Thailand on the technical front.

[Question] Farmers from the north held a demonstration in front of the Japanese embassy over the matter of hay. What progress has been made in solving this problem?

[Answer] That is a separate problem. It does not involve the government. Hay can be freely exported to Japan. It is my understanding that there will be negotiations between Thai and Japanese companies and between the farmers and government officials. The Japanese companies have agreed to purchase increased quantities. But the Japanese companies cannot purchase all this hay.

[Question] The embassy can't do anything in this case, is that right?

[Answer] The Japanese government is not involved in this at all. We are monitoring the negotiations and hope that an agreement can be reached.

[Question] Japan's image is not very good.

[Answer] We can't control the behavior of Japanese people or companies outside Japan just as you can't control the behavior of Thais or Thai companies outside Thailand.

[Question] What do you think about the White Book?

[Answer] We have received only the Thai-language copy and are waiting for Thai officials to provide us with an English-language copy. We have not received this and so we are translating the Thai copy into Japanese. Government officials and businessmen are studying this. I cannot say anything at this time. Besides this, we are waiting for the meeting between Thai and Japanese officials, which will be held in Tokyo this October or November. Mr Praphat Limpaphan, the deputy minister of foreign affairs, will head the Thai delegation.

[Question] Can you tell us what your feelings are about the White Book?

[Answer] We are pleased by this since this will generate better understanding and help improve economic relations between Thailand and Japan in the future, particularly since your public sector has assessed the trade problems with Japan. Actually, Mr Phichai Rattakun, the deputy prime minister, discussed these problems with the Japanese prime minister and Japanese businessmen when

he visited Japan in December last year. Ever since then, Japan has acknowledged these problems.

[Question] Certain sections of the White Book talk about counter-trade. What do you think about this?

[Answer] From what I understand, the counter-trade issue discussed in the White Book is just an additional measure. And it seems to concern only the purchase of weapons. Thus, there is support for the use of a counter-trade system. But Japan does not sell weapons (laughs).

[Question] You may in the future.

[Answer] (Laughs) I would like to mention Indonesia, a country that has close relations with Thailand. It once implemented a very strict counter-trade system. But it had to abolish this since this achieved nothing.

[Question] Shouldn't something be done immediately in order to reduce Thailand's trade deficit with Japan?

[Answer] We must definitely cooperate in solving this problem. Sometimes you can't expect to solve a problem in just a day or two. But personally, I have hope that this can be solved.

There are reasons for hope. For example, both the public and private sectors have made an effort to purchase cassava pellets and cassava starch from Thailand. Last year, we began to purchase these items again, the first time since 1976. This year, we have already purchased about 200,000 tons.

The same is true for corn. We have talked about corn with low levels of aflatoxin. We recently purchased 10,000 tons on a trial basis. If this meets the standards, Japan will immediately purchase more and will continue to do so in the future. If we can cooperate in controlling aflatoxin, Japan will purchase more corn from Thailand.

Besides this, in the industrial sector, there are examples of joint investment. Japan has invested \$100 million to construct small plants to produce ball bearings in Ayuthaya. Two plants have already been built. Computer keyboards and small motors are being built, too.

[Question] There is much criticism that all the profits made here are remitted to Japan and that these investments do not really benefit Thailand.

[Answer] After the Second World War, Japan had huge trade deficits. To industrialize, you have to have equipment in order to build industries in the country and to be able to compete on world markets. In some cases, I feel that trade deficits are an investment for the future.

[Question] Many Thais are very angry at Japan, even if this is the result of not understanding Japan. What is your view on this? Are you concerned about this?



[Answer] After the end of the Second World War, when I was still very young, Americans were everywhere in Japan. I sometimes asked myself why there were so many Americans in Japan. I think that this is a normal reaction when many foreigners are present in a country for business purposes.

Why do we feel like this? Why can't we handle our own affairs and make our dreams come true? If Thailand could solve the problems and develop things, the Thai people would probably not be so concerned about foreigners being here.

I cannot criticize the Americans. We have to criticize ourselves. The same is true for you. You are capable of doing things on your own. We need the United States for military reasons. You can change your attitude and take a more positive attitude about making use of Japan. Japan would be very happy if Thailand were richer and stronger and could handle its own affairs.

11943

CSO: 4207/9

ECONOMIC

OVERSEAS CONSTRUCTION ORDER DATA REPORTED

Tokyo KAIGAI PUROJEKUTO JOHO in Japanese 28 Jun 85 pp 35-42

[Text] (Data)

Our Nation's Results in Receipt of Orders for Overseas Construction in Fiscal Year 1984

Our nation's results in receipt of orders for overseas construction in fiscal year 1984 have recently been published by the (Overseas Construction Association (Corp), so we present them below.

1. This survey was carried out for 57 member enterprises of the Overseas Construction Association (as of 31 March 1985).

However, overlapping portions due to master contracts and subcontracts among member firms were excluded, and in the case of joint receipt of orders with nonmember firms, only the portion of the order received by the member enterprises was counted.

2. Grand Total of Orders Received: 816 orders totalling 935,027,073,000 yen (total construction contracts and technical guidance for Japanese corporations and Japanese owned overseas corporations)

In addition, there were 45 cases of providing building materials and machine parts totalling 1.9 billion yen.

3. Comparison With The Preceding Fiscal Year

(1) Grand Total

Compared with the preceding fiscal year (1983), there was a decrease of 78,973,116,000 yen (7.8 percent), and an increase of 123 (17.7 percent) in the number of contracts.

Fiscal year 1982: ( 921,556,439,000 yen)  
Fiscal year 1983: (1,014,000,189,000 yen)  
Fiscal year 1984: ( 935,027,073,000 yen)

## (2) Japanese Corporations

1) Construction contracts...the number of contracts rose by 94 (30.6 percent)  
(fiscal year 1983: 307 contracts -> fiscal year 1984: 401 contracts)

Monetary value declined by 111.6 billion yen (12.9 percent)  
(fiscal year 1983: 846.1 billion yen -> fiscal year 1984: 734.5 billion yen)

2) Technical guidance.....the number of contracts fell by 18 (34.6 percent)  
(fiscal year 1983: 52 contracts -> fiscal year 1984: 34 contracts)

Monetary value increased by 200 million yen (8.7 percent)  
(fiscal year 1983: 2.3 billion yen -> fiscal year 1984: 2.5 billion yen)

3) Total.....the number of contracts increased by 76 (21.2 percent)  
(fiscal year 1983: 359 contracts -> fiscal year 1984: 435 contracts)

Monetary value decreased by 111.4 billion yen (13.1 percent)  
(fiscal year 1983: 848.4 billion yen -> fiscal year 1984: 737.0 billion yen)

## (3) Overseas Corporations

1) Construction contracts..the number of contracts rose by 43 (12.9 percent)  
(fiscal year 1983: 333 contracts -> fiscal year 1984: 376 contracts)

Monetary value increased by 32.3 billion yen (19.5 percent)  
(fiscal year 1983: 165.6 billion yen -> fiscal year 1984: 197.9 billion yen)

2) Technical guidance...number of contracts increased by four (400.0 percent)  
(fiscal year 1983: one contract -> fiscal year 1984: five contracts)

Monetary value increased by 120 million yen (400.0 percent)  
(fiscal year 1983: 30 million yen -> fiscal year 1984: 150 million yen)

3) Total.....the number of contracts increased by 47 (14.1 percent)  
(fiscal year 1983: 334 contracts -> fiscal year 1984: 381 contracts)

Monetary value increased by 32.5 billion yen (19.6 percent)  
(fiscal year 1983: 165.6 billion yen -> fiscal year 1984: 198.1 billion yen)

## 4. Regional Trends

### (1) Southeast and Southwest Asia

#### 1) Japanese Corporations

At 436 billion yen, there was a large decrease of 147.4 billion yen (25.3 percent) compared with the 583.4 billion yen of the preceding fiscal year. Although this region's share of all orders received by Japanese corporations was 59.2 percent, declining for the second year in a row, it continues to be an important market for our nation.

## 2) Overseas Corporations

This was only 65.7 billion yen, a 26.6 billion yen (28.8 percent) decrease compared with the 92.3 billion yen of the preceding fiscal year.

3) The 7 nations of Malaysia, Singapore, Hong Kong, Thailand, China, Indonesia and Sri Lanka are among the top 10 by nation; orders received in these 7 nations by Japanese and overseas corporations total 456.0 billion yen and account for 90.9 percent of orders from the entire region.

## (2) Middle East Arab Region

### 1) Japanese Corporations

There was a marked decrease in orders received, reflecting a decline in activity in construction investment due to a slackening of petroleum supply and demand worldwide and the dragging on of the Iran-Iraq conflict. In terms of monetary value, it was 70.4 billion yen, a decrease of 79.1 billion yen (52.9 percent) compared with the 149.5 billion yen of the preceding fiscal year.

### 2) Overseas Corporations

As in the preceding fiscal year, the only orders received were the 5.3 billion yen in Saudi Arabia (a decrease of 8.4 billion yen, 61.3 percent, compared with the 13.7 billion yen of the preceding fiscal year).

## (3) North America

### 1) Japanese Corporations

Compared with the preceding fiscal year (14 contracts totalling 41.7 billion yen), this region recorded an increase of 130 percent with 30 contracts totalling 95.9 billion yen. This region's share of all orders received by Japanese corporations also increased greatly from 4.9 percent to 13.0 percent.

### 2) Overseas Corporations

Compared with the preceding fiscal year (65 contracts totalling 41.5 billion yen), this region recorded an increase of 170 percent with 161 contracts totalling 111.2 billion yen, and the share which orders from this region hold, among all orders received by overseas corporations, increased greatly from 25.1 percent to 56.1 percent.

3) As a whole, this region has emerged as Japan's second most important market after Southeast and Southwest Asia (in particular, it is the largest market when viewed in terms of overseas corporations, boasting a 56.1 percent share).

Furthermore, the current fiscal year saw the first orders received in Canada (two orders for public works construction totalling 13.7 billion yen).

#### (4) Oceania

Due to receiving successive orders in Australia for large commercial architecture and for urban redevelopment projects (22 orders totalling 103.4 billion yen), this region's share of all orders received increased sharply to 12.2 percent (5.8 percent in the preceding fiscal year), leaping to a position of third in the market after Southeast and Southwest Asia and North America.

#### (5) Other Regions

Africa (0.4 percent), Central and South America (2.4 percent), Europe (1.0 percent) and Eastern Europe (as in the preceding fiscal year, no results); thus, total orders received in these regions by Japanese and overseas corporations were only 3.8 percent of all orders received.

### 5. National Trends

(1) The United States is in first place; in particular, orders received by overseas corporations (111.2 billion yen) have increased greatly. Viewed in terms of the type of work, it is mainly architectural construction such as commercial facilities, homes, hotels and tourist facilities.

(2) Malaysia (88 contracts totalling 127.8 billion yen) occupied second place for the 3d year running. When viewed in terms of construction of 1 billion yen or more per contract, architectural construction such as private sector commercial facilities, hotels, tourist facilities and factories accounted for over 60 percent.

(3) Although orders received there declined by close to 60 percent, third place went to Singapore, the top ranking nation in the preceding fiscal year, reflecting development investment such as subway construction and construction of commercial buildings.

(4) Fourth place to 10th place went to Australia (103.4 billion yen centered on urban redevelopment and large commercial architecture), Hong Kong (79.7 billion yen), Thailand (45.3 billion yen), China (41.4 billion yen), Saudi Arabia (35.9 billion yen), Indonesia (26.9 billion yen) and Sri Lanka (23.7 billion yen).

(5) Orders were received from a total of 54 nations, the same number as in the preceding fiscal year.

Viewed by region, the composition was as follows:

Southeast and Southwest Asia:	17 nations
Middle East Arab:	11 nations
Oceania:	8 nations
Central and South America:	7 nations

Africa: 5 nations

Europe: 4 nations

North America: 2 nations

6. Proportion Occupied By Major Construction

(1) Major Construction of 1 Billion Yen or More Per Project

1) Japanese Corporations

Number of orders: 147 out of 435 (33.8 percent)

Monetary value: 671.6 billion yen out of 737.0 billion yen (91.1 percent)

2) Overseas Corporations

Number of orders: 35 out of 381 (9.2 percent)

Monetary value: 93.4 billion yen out of 198.0 billion yen (47.2 percent)

3) Total

Number of orders: 182 out of 816 (22.3 percent)

Monetary value: 765.0 billion yen out of 935.0 billion yen (81.8 percent)

(Note): The figure given above for total number of orders includes overlapping of orders (six orders) received by joint ventures between Japanese corporations and overseas corporations.

(2) There were 56 orders of 5 billion yen or more (totalling 494.6 billion yen), accounting for 52.9 percent of the monetary value of all orders received; among these there were 12 orders of 10.0 billion yen or more (totalling 191.9 billion yen) which accounted for 20.5 percent of the monetary value of all orders received. There were only 4 orders in excess of 20.0 billion yen (totalling 90.1 billion yen).

Table 1. Results In Overseas Construction Orders Received In The Last 5 Years  
(Fiscal years 1980 through 1984) (Unit: 1,000 yen)

区 分 (年 度)	(8) 本 邦 法 人						(9) 海 外 法 人						(10) 合 計		(11) 前年比 (%)
	(12) 工 事 請 負		(13) 技 術 指 導		(14) 計		(12) 工 事 請 負		(13) 技 術 指 導		(14) 計				
	件数	(16) 金 額	件数	(16) 金 額	件数	(16) 金 額	件数	(16) 金 額	件数	(16) 金 額	件数	(16) 金 額	件数	(16) 金 額	
(3) 55	219	422,567,155 (82.7%)	83	7,684,602 (1.5%)	302	430,251,757 (84.2%)	232	79,992,156 (15.7%)	13	763,810 (0.1%)	245	80,755,966 (15.8%)	547	511,007,723 (100.0%)	95.2
(4) 56	240	622,853,152 (87.4%)	66	6,733,935 (0.9%)	306	629,587,087 (88.3%)	183	83,073,745 (11.7%)	5	97,175 (0.0%)	188	83,170,920 (11.7%)	494	712,758,007 (100.0%)	139.5
(5) 57	319	768,423,632 (83.4%)	51	2,238,935 (0.2%)	370	770,662,567 (83.6%)	247	150,774,825 (16.4%)	7	119,047 (0.0%)	254	150,893,872 (16.4%)	624	921,556,439 (100.0%)	129.3
(6) 58	307	846,102,000 (83.4%)	52	2,317,701 (0.2%)	359	848,419,701 (83.6%)	333	165,550,408 (16.4%)	1	30,080 (0.0%)	334	165,580,488 (16.4%)	693	1,014,000,189 (100.0%)	110.0
(7) 59	401	734,485,771 (78.6%)	34	2,474,043 (0.3%)	435	736,959,814 (78.9%)	376	197,917,276 (21.1%)	5	149,983 (0.0%)	381	198,067,259 (21.1%)	816	935,027,073 (100.0%)	92.2

Key:

- |                          |                                    |
|--------------------------|------------------------------------|
| 1. Classification        | 10. Grand total                    |
| 2. Fiscal year           | 11. Comparison with preceding year |
| 3. 1980                  | 12. Construction orders            |
| 4. 1981                  | 13. Technical guidance             |
| 5. 1982                  | 14. Total                          |
| 6. 1983                  | 15. Number of orders               |
| 7. 1984                  | 16. Monetary value                 |
| 8. Japanese corporations |                                    |
| 9. Overseas corporations |                                    |

Table 2. Regional Trends In Results In Overseas Construction Orders Received  
In The Last 5 Years (Fiscal Years 1980 Through 1984) (Unit: 1,000 yen)

(1) 年度	(2) 地域	(17) 邦 法 人			(18) 海 外 法 人			(19) 合 計		
		(件数)	(金額)	%	(件数)	(金額)	%	(件数)	(金額)	%
(2)	南東・南西アジア	185	185,928	43.20	140	44,172	54.70	325	230,100	45.00
	中 東 ア ラ ブ	80	183,378	42.60	4	14,294	17.70	84	197,672	38.70
	(70) フ リ カ	10	5,149	1.20	0	0	0	10	5,149	1.00
	(北) 米	8	8,582	2.00	44	8,687	10.80	52	17,269	3.40
	(中) 南 米	12	42,211	9.80	30	9,655	12.00	42	51,866	10.10
	(欧) 州	1	5	0.00	16	2,738	3.40	17	2,743	0.50
	(東) 欧	2	38	0.00	0	0	0	2	38	0.00
	大洋州・その他	4	4,961	1.20	11	1,209	1.50	15	6,170	1.20
	(16) 計	302	430,252	100.00	245	80,755	100.10	547	511,007	100.00
(3)	南東・南西アジア	192	398,030	63.20	106	39,315	47.30	298	437,345	61.40
	中 東 ア ラ ブ	75	178,600	28.40	3	12,422	14.90	78	191,022	26.80
	(70) フ リ カ	10	16,520	2.60	0	0	0	10	16,520	2.30
	(北) 米	6	3,776	0.60	24	18,038	21.70	30	21,814	2.90
	(中) 南 米	17	31,760	5.00	39	8,787	10.60	56	40,547	5.70
	(欧) 州	0	0	0	9	2,882	3.50	9	2,882	0.40
	(東) 欧	3	90	0.00	0	0	0	3	90	0.00
	大洋州・その他	3	811	0.10	7	1,727	2.10	10	2,538	0.40
	(16) 計	306	629,587	100.00	188	83,171	100.00	494	712,758	100.00
(4)	南東・南西アジア	250	600,470	77.90	140	95,957	63.60	390	696,427	75.60
	中 東 ア ラ ブ	73	97,251	12.60	7	21,073	14.00	80	118,324	12.90
	(70) フ リ カ	16	9,594	1.20	0	0	0	16	9,594	1.00
	(北) 米	9	13,919	1.80	47	19,347	12.80	56	33,266	3.60
	(中) 南 米	11	27,726	3.60	42	5,733	3.80	53	33,459	3.60
	(欧) 州	4	25	0.00	13	8,203	5.40	17	8,228	0.90
	(東) 欧	1	13,550	1.80	0	0	0	1	13,550	1.50
	大洋州・その他	6	8,127	1.10	5	581	0.40	11	8,708	0.90
	(16) 計	370	770,662	100.00	254	150,894	100.00	624	921,556	100.00
(5)	南東・南西アジア	260	583,409	68.80	195	92,311	55.80	455	675,720	66.60
	中 東 ア ラ ブ	43	149,532	17.60	5	13,739	8.30	48	163,271	16.10
	(70) フ リ カ	8	10,683	1.30	0	0	0	8	10,683	1.10
	(北) 米	14	41,744	4.90	65	41,506	25.10	79	83,250	8.20
	(中) 南 米	17	9,790	1.20	57	4,867	2.90	74	14,657	1.50
	(欧) 州	3	837	0.10	8	6,394	3.90	11	7,231	0.70
	(東) 欧	0	0	0	0	0	0	0	0	0
	大洋州・その他	14	52,425	6.20	4	6,763	4.10	18	59,188	5.80
	(16) 計	359	848,420	100.00	334	165,580	100.00	693	1,014,000	100.00
(6)	南東・南西アジア	315	436,015	59.20	120	65,715	33.20	435	501,730	53.70
	中 東 ア ラ ブ	42	70,415	9.50	3	5,323	2.70	45	75,738	8.10
	(70) フ リ カ	5	3,378	0.50	2	24	0.00	7	3,402	0.40
	(北) 米	30	95,931	13.00	161	111,191	56.10	191	207,122	22.10
	(中) 南 米	8	16,389	2.20	81	6,032	3.00	89	22,421	2.40
	(欧) 州	3	77	0.00	11	9,463	4.80	14	9,540	1.00
	(東) 欧	0	0	0	0	0	0	0	0	0
	大洋州・その他	32	114,754	15.60	3	320	0.20	35	115,074	12.30
	(16) 計	435	736,959	100.00	381	198,068	100.00	816	935,027	100.00

[key on following page]



**Key:**

- |                               |                             |
|-------------------------------|-----------------------------|
| 1. Fiscal year                | 12. Central & South America |
| 2. 1980                       | 13. Europe                  |
| 3. 1981                       | 14. Eastern Europe          |
| 4. 1982                       | 15. Oceania etc.            |
| 5. 1983                       | 16. Total                   |
| 6. 1984                       | 17. Japanese corporations   |
| 7. Region                     | 18. Overseas corporations   |
| 8. Southeast & Southwest Asia | 19. Grand total             |
| 9. Middle East Arab           | 20. Number of orders        |
| 10. Africa                    | 21. Monetary value          |
| 11. North America             |                             |

Table 3. National Trends In Results In Overseas Construction Orders Received In The Last 5 Years (Fiscal Years 1980 Through 1984) (Unit: 1,000 yen)

年次 (1) 順位	(5) 55			(6) 56			(7) 57			(8) 58			(9) 59		
	国10名	件数	金額	国10名	件数	金額	国10名	件数	金額	国10名	件数	金額	国10名	件数	金額
1	(13) イ	30	1,175	(16) マレーシア	28	1,578	(15) 香港	86	2,461	(14) シンガポール	88	2,606	(21) リカ	189	1,935
2	(14) シンガポール	81	587	(13) イ	27	1,308	(16) マレーシア	39	1,636	(16) マレーシア	63	1,554	(16) マレーシア	88	1,278
3	(15) 香港	54	432	(15) 香港	44	895	(14) シンガポール	90	1,411	(12) ドネシア	97	1,085	(14) シンガポール	106	1,112
4	(16) マレーシア	15	411	(14) シンガポール	73	888	(18) アラビア	26	666	(21) リカ	79	832	(22) ストラリア	22	1,034
5	(17) ドネシア	82	344	(17) ドネシア	81	337	(17) ドネシア	94	572	(15) 香港	85	781	(15) 香港	65	797
6	(18) アラビア	28	327	(18) アラビア	19	318	(21) リカ	58	333	(32) クウェート	4	679	(19) イ	40	453
7	(19) イ	30	302	(21) リカ	30	218	(19) イ	36	300	(33) ストラリア	7	542	(26) 国	14	414
8	(20) アルジェリア	4	206	(22) パナマ	6	207	(28) アルネイ	5	192	(18) アラビア	20	334	(18) アラビア	14	359
9	(21) リカ	52	173	(19) イ	28	181	(29) ランカ	9	189	(19) イ	52	215	(17) インドネシア	66	269
10	(22) パナマ	1	152	(25) エジプト	6	145	(13) イ	23	173	(20) アルジェリア	3	185	(29) ランカ	8	237
(31)位 以下	(23) カ国	170	1,001	(26) カ国	152	1,052	(30) カ国	158	1,282	(34) カ国	195	1,327	(34) カ国	204	1,462
(4) 計	(24) カ国	547	5,110	(27) カ国	494	7,127	(31) カ国	624	9,215	(35) カ国	693	10,140	(35) カ国	816	9,350

Key:

- |                         |                  |
|-------------------------|------------------|
| 1. Fiscal year          | 19. Thailand     |
| 2. Order                | 20. Algeria      |
| 3. 11th place and below | 21. America      |
| 4. Total                | 22. Panama       |
| 5. 1980                 | 23. 39 countries |
| 6. 1981                 | 24. 49 countries |
| 7. 1982                 | 25. Egypt        |
| 8. 1983                 | 26. 38 countries |
| 9. 1984                 | 27. 48 countries |
| 10. Name of country     | 28. Brunei       |
| 11. Number of orders    | 29. Sri Lanka    |
| 12. Monetary value      | 30. 45 countries |
| 13. Iraq                | 31. 55 countries |
| 14. Singapore           | 32. Kuwait       |
| 15. Hongkong            | 33. Australia    |
| 16. Malaysia            | 34. 44 countries |
| 17. Indonesia           | 35. 54 countries |
| 18. Saudi Arabia        | 36. China        |

Table 4. Classification Of Orders Received For Major Overseas [Construction] Projects In The Last 5 Years (Fiscal Years 1980 Through 1984) According to Type of Work (Unit: 1,000 yen)

(1)年度	(17)55		(18)56		(19)57		(20)58		(21)59		(22)計	
(2)分類	(23)件数	(24)金額	(23)件数	(24)金額	(23)件数	(24)金額	(23)件数	(24)金額	(23)件数	(24)金額	(23)件数	(24)金額
(3)浚渫・埋立 土地造成	13	44,436 ( 10.0)	11	34,740 ( 5.4)	9	53,719 ( 6.6)	6	80,278 ( 9.1)	5	16,671 ( 2.2)	44	229,844 ( 6.5)
(4)港湾関連 施設	7	31,068 ( 7.0)	10	37,446 ( 5.8)	10	49,377 ( 6.0)	3	10,805 ( 1.2)	4	18,176 ( 2.4)	34	146,872 ( 4.1)
(5)鉄 道	3	3,765 ( 0.9)	6	68,074 (10.5)	10	118,592 (14.5)	7	60,676 ( 6.8)	9	58,165 ( 7.6)	35	309,272 ( 8.7)
(6)道 路	14	40,878 ( 9.2)	7	26,044 ( 4.0)	11	68,634 ( 8.4)	10	49,432 ( 5.6)	13	46,132 ( 6.0)	55	231,120 ( 6.5)
(7)空 港	2	10,231 ( 2.3)	1	2,793 ( 0.4)	1	1,377 ( 0.2)	3	12,989 ( 1.5)	5	21,009 ( 2.7)	12	48,399 ( 1.4)
(8)工場プラント 関連施設	20	79,085 (17.9)	11	39,463 ( 6.1)	13	37,071 ( 4.5)	28	92,046 (10.4)	18	44,782 ( 5.9)	90	292,447 ( 8.2)
(9)発送電施設	3	7,910 ( 1.8)	3	26,769 ( 4.5)	8	100,371 (12.3)	11	147,978 (16.7)	10	48,410 ( 6.3)	35	331,438 ( 9.3)
(10)ダ ム	4	22,749 ( 5.1)	2	13,026 ( 2.0)	3	6,769 ( 0.8)	3	17,688 ( 2.0)	1	5,000 ( 0.7)	13	65,232 ( 1.8)
(11)上下水道	5	15,855 ( 3.6)	5	22,563 ( 3.5)	9	30,280 ( 3.7)	8	16,927 ( 1.9)	7	19,760 ( 2.6)	34	105,385 ( 3.0)
(12)公共建築	21	102,401 (23.1)	30	218,708 (33.9)	40	176,676 (21.6)	44	134,515 (15.2)	41	157,689 (20.6)	176	789,989 (22.2)
(13)商業建築	6	18,921 ( 4.3)	20	85,560 (13.3)	24	154,279 (18.8)	42	215,913 (24.4)	62	288,336 (37.7)	154	763,009 (21.5)
(14)基 礎	8	17,760 ( 4.0)	7	39,596 ( 6.1)	4	18,386 ( 2.2)	2	6,962 ( 0.8)	3	10,866 ( 1.4)	24	93,570 ( 2.6)
(15)その他(灌漑・ 都市開発工 事等を含む)	5	47,302 (10.7)	6	29,478 ( 4.5)	2	3,560 ( 0.4)	8	39,972 ( 4.5)	4	29,961 ( 3.9)	25	150,273 ( 4.2)
(16)計	111	442,361 (100.0)	119	644,260 (100.0)	144	819,091 (100.0)	175	886,181 (100.0)	182	764,957 (100.0)	731	3,556,850 (100.0)

[key on following page]

Key:

- |                                                         |                                                                                       |
|---------------------------------------------------------|---------------------------------------------------------------------------------------|
| 1. Fiscal year                                          | 13. Commercial architecture                                                           |
| 2. Category                                             | 14. Foundations                                                                       |
| 3. Dredging, land reclamation,<br>land formation        | 15. Others (including construction for<br>irrigation, urban development and<br>so on) |
| 4. Harbor-related facilities                            | 16. Total                                                                             |
| 5. Railroads                                            | 17. 1980                                                                              |
| 6. Roads                                                | 18. 1981                                                                              |
| 7. Airports                                             | 19. 1982                                                                              |
| 8. Plant-related facilities                             | 20. 1983                                                                              |
| 9. (Electric generation and<br>transmission facilities) | 21. 1984                                                                              |
| 10. Dams                                                | 22. Grand total                                                                       |
| 11. Water works and sewers                              | 23. Number of orders                                                                  |
| 12. Public architecture                                 | 24. Monetary value                                                                    |

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END